



ACL CABLES PLC
ANNUAL REPORT 2025/26

ACCELERATING TOWARDS
TOMORROW

ACCELERATING TOWARDS **TOMORROW**

For over six decades, ACL Cables PLC has helped carry Sri Lanka's progress through a trusted network of power, energy and possibility. Since inception, our name has stood for reliability, resilience and innovation, and we have been an irreplaceable entity strengthening connections that support industries, communities and generations.

This year, that legacy gathered new momentum, as ACL Cables entered a defining year of transformation shaped by volume growth, operational strength and renewed ambition. Having embraced a new era of leadership to guide our next phase of corporate growth, our stellar financial performance and strategic approach towards enhancement ensured our moving forward with refreshed confidence and reinvigorated passion.

Building on the experience that has made us the nation's largest cable manufacturer, we continue to move with purpose, powering today's progress while accelerating towards a tomorrow defined by excellence, flexibility and limitless, realised potential.



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Chairman's
Message



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Managing
Director's Report

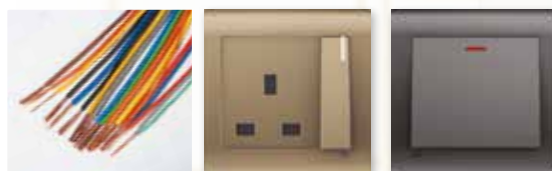
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ABOUT US

ACL Cables PLC stands as the leading cable manufacturer in Sri Lanka, known for its high- quality products and innovative solutions in the electrical industry. With a strong focus on customer satisfaction and sustainability, ACL Cables PLC has established itself as a trusted brand in the market. The Company's commitment to excellence and continuous improvement has enabled it to maintain a competitive edge in the industry. Overall, ACL Cables PLC is dedicated to Providing reliable and safe electrical solutions to meet the needs of its customers.

OUR VISION

- To be the preferred brand of electric cables in the region, whilst strengthening the dominant position in Sri Lanka.



OUR MISSION

- To expand our range of products and services in the fields of electrification.
- To be the most competitive in chosen global markets and to achieve continuous growth.
- To create an environment that will inculcate a feeling of ownership in our people and their families.
- To create a Company that will be in the forefront of technology and win the admiration of our customers, suppliers, shareholders and the community.



OUR VALUES

We strive to do our best for our stakeholders in the following ways;

CUSTOMERS

- We reach out to our customers and give them a fair deal.
- We build enduring customer relationships without trying to maximise short term profits.
- We always make it easier for customers to do business with us.
- We communicate regularly with our customers.
- We never forget to say "thank you".

PEOPLE

- We respect each other as individuals and motivate our people to work as a team.
- We provide opportunities for personal and professional development.
- We recognise and reward individual initiative and performance of our people.
- We inculcate family culture and togetherness.

SUPPLIERS

- We treat our suppliers as valuable business partners and maintain a mutually beneficial relationship.

SHAREHOLDERS

- We ensure superior returns to our shareholders through sustained growth of profitability.

COMMUNITY

- We carry out our activities in an environmentally friendly manner, contributing towards a safer and healthier community.
- We maintain ethical standards.



ABOUT THIS REPORT

ACL Cables PLC stands as the leading cable manufacturer in Sri Lanka, Known for its high-quality products and innovative solutions in the electrical industry. With a strong focus on customer satisfaction and sustainability, ACL Cables PLC has established itself as a trusted brand in the market. The Company's Commitment to excellence and continuous improvement has enabled it to maintain a competitive edge in the industry. Overall, ACL Cables PLC is dedicated to provide reliable and safe electrical solutions to meet the needs of its customers.



SCOPE AND BOUNDARIES

ACL Cables PLC (Company) and its subsidiaries (hereinafter referred to as "Group") is proud to present herewith its 64th Annual Report which provides a succinct view of its performance using financial, social and governance information during the year. This Report covers the operations of the ACL Group for the period from 01 April 2025 to 31 March 2026 and builds on the Group's previous annual reporting cycle for the period ended 31 March 2025. The financial and non-financial



information presented herein represents consolidated figures for the Company and its subsidiaries unless otherwise stated. The information related to the previous period has not been restated during this period unless otherwise stated.



BASIS OF PREPARATION

This Report covers the operations of ACL Cables PLC and its Subsidiaries

Capitals



Financial
Capital



Manufactured
Capital



Human
Capital



Intellectual
Capital



Social and
Relationship
Capital



Natural
Capital

Stakeholders



Shareholders and
Other Investors



Employees



Customers



Community
Government



Regulators &
Suppliers



Service Providers

Strategy



Business



People



Technology



Sustainability



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Integrated Report
2025/26 online



Print Available on Request
Available Online

STATEMENT BY THE BOARD

The Board acknowledges its responsibility to ensure the integrity of the Annual Report and is of the opinion that the Report addresses all material issues that it believes to have a bearing on the Company's capacity to create value over the short, medium and long term.

EXTERNAL ASSURANCE

An assurance on the Financial Statements has been obtained from Messrs. Deloitte Partners, Chartered Accountants.

REPORTING FRAMEWORKS APPLIED

- Sri Lanka Accounting Standards (SLFRS/LKAS) issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)
- Listing Rules of the Colombo Stock Exchange (CSE) and subsequent revisions to date
- Gender Parity Reporting Framework published by CA Sri Lanka
- Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021, including directives and circulars
- Code of Best Practice on Corporate Governance (2023) jointly advocated by the Securities and Exchange Commission of Sri Lanka (SEC) and the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka)
- The Companies Act No.07 of 2007
- Code of Best Practices on Related Party Transactions (2017) advocated by SEC

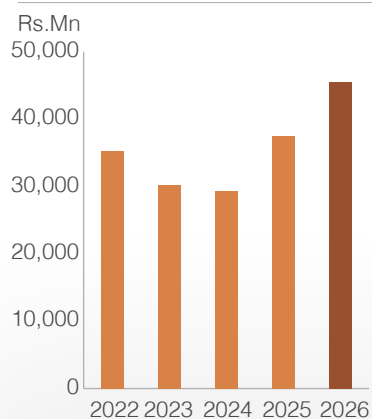
GROUP FINANCIAL HIGHLIGHTS

Operations	2026 LKR Million	2025 LKR Million
Revenue	45,508	37,487
Gross Profit	11,454	10,224
Net Finance Income / (Cost)	1,290	444
Profit before Tax	10,520	7,980
Profit after Tax	7,280	5,420
Total Equity	42,978	36,020

Key Financial Indicators	2026	2025
Gross Profit Margin	25.17%	27.27%
Net Profit Margin before Tax	23.12%	21.29%
Interest Cover (Times)	85.62	49.60
Price Earning Ratio	9.64	6.38
Current Ratio (Times)	5.49	5.86

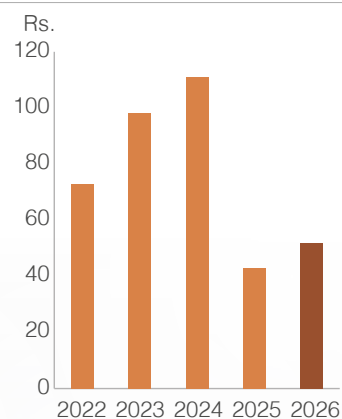
Revenue

for the year ended 31 March



Net asset per share

for the year ended 31 March



*Current year 2026 and 2025 figures reflect the effect of 1:3 share subdivision

COMPANY NET REVENUE

LKR 22,859 Mn.

GROUP NET REVENUE

LKR 45,508 Mn.

PROFIT SHARE TO GROUP EQUITY HOLDERS

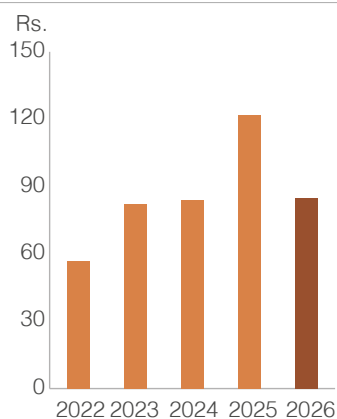
87%

PROFIT TO GROUP EQUITY HOLDERS

LKR 6,338 Mn.

Market value per share

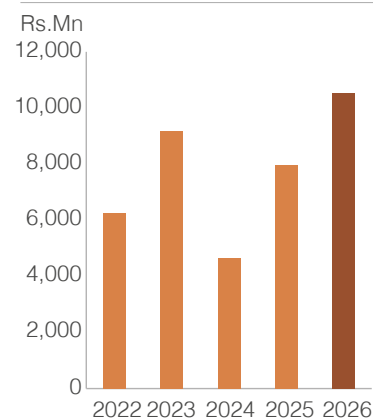
for the year ended 31 March



*Market value per share was impacted by the share subdivision during the year.

Net Profit Before Tax

for the year ended 31 March



MILESTONES

1962

In March 1962, Associated Motorways Ltd (AMW) incorporated Associated Cables Ltd as a Subsidiary for the manufacture of electric cables.

1963

Within a period of one year, manufacture of electric cables commenced in Sri Lanka for the first time with Japanese technical assistance within the AMW Industrial Complex at Kalutara.

1976

The Company became a public quoted Company under the rules of Colombo Brokers' Association.

1993

Second technical collaboration agreement with NOKIA Cables of Finland for drawing and ageing Aluminum Alloy conductors Commenced manufacturing of PVC compound at ACL Plastics Ltd, Ekala.

1991

ACL Plastics Limited was incorporated for the manufacture of PVC compound.

1990

The name of the Company was changed from Associated Cables Ltd. to ACL Cables Ltd, in order to establish an independent identity for the Company.

1995

Export of Cables commenced to Bangladesh and Maldives. Acquisition of Ceylon Bulbs & Electricals Ltd.

1999

Acquisition of Kelani Cables Ltd. Introduction of Power - X and Flexi cables.

2006

Incorporation of ACL Metals & Alloys (Pvt) Ltd and ACL Polymers (Pvt) Ltd. Introduction of Fireguard and other fire rated range of products.

2019

ACL Cables PLC acquired 51% stake of Cable Solutions Pvt Ltd

2018

Introduction of ACL Elegance switches & sockets. ACL Cables PLC achieved the prestigious Master Brand status for 2017, conferred by Chief Marketing Officers (CMO) Asia in partnership with the World Marketing Congress. A Master Brand status is conferred only to top tier brands in a particular category and in recognition of market dominance. Once the status is awarded on a single brand, the competing brands are excluded from the category.

2017

Ceylon Copper Pvt Ltd acquired a 16% stake of Ethimale Plantation Pvt Ltd

2022

ICRA Lanka Limited has upgraded the Issuer rating of ACL Cables PLC ("ACL"/ "the Company") to [SL]AA- (pronounced S L Double A minus[1]) from [SL]A+; the Outlook remains Stable.

2023

ACL was recognised in Business Today Awards Top 40 companies

2024

- Won the Gold award in Extra Large Category of Electronic and Electric product sector and Certificate of Ethical Trading at the NCE Export awards.
- Won the Bronze award under the construction sector at TAGS AWARDS 2023 by CA Sri Lanka.

1978

Facilities for drawing of Copper wires were added

1980

The Company moved out of AMW Group. Aluminum Conductor plant was set up for the manufacture of AAC and ACSR.

1981

Joint Venture with Aluminum Industries Ltd, India for the manufacture of 1400 M/Ts of Aluminum conductors.

1988

Company entered into a technical collaboration agreement with Nokia Cables Finland, for manufacturing of Aerial Bundled Cables and XLPE Insulated Cables.

1986

Production of Armored cable commenced at Piliyandala Factory.

1982

Establishment of own distribution network island wide.

2007

Winning the Achievers Gold Award for Performance Excellence awarded by the Ceylon National Chamber of Industries, Sri Lanka, National Quality Award and Taiki Akimoto Award on 5S.

2008

ACL Cables PLC awarded the highest award of Asia Pacific Quality Organisation beating participants from 46 countries. Recognised as a world-class Company. Awarded Super Brand status for the ACL brand.

2012

Incorporation of Ceylon Copper (Pvt) Ltd. to manufacture copper rods. ACL secured SLS Certification for Armored Cables this year for the first time in Sri Lanka.

2016

ICRA Lanka Limited, Subsidiary of ICRA Limited, group company of Moody's Investors Service has assigned an Issuer rating of [SL] A+ (pronounced S L A plus) with stable outlook to ACL Cables PLC.

2015

ACL Cables PLC acquired 34.51% stake of Hemas Power PLC & renamed company as RESUS Energy PLC. As a result of share buyback by RESUS Energy PLC during 2015/2016, ACL Cables PLC's stake was reduced to 32.52%.

2014

Introduction of Fire Resistance Circuit Integrity Power Cables.

2013

Incorporation of ACL Electric (Pvt) Ltd. to manufacture electrical accessories.

- The Company has introduced a new range of energy-saving PVC insulated PVC sheathed cables that exceed the standard specifications of the SLS 733 and new range of PVC insulated PVC sheathed cables that combine enhanced safety and energy-saving features.

2025

Won the Gold award in Extra Large Category of Electronic and Electric product Sector and Certificate of Ethical Trading at the NCE Export awards.

2026

ACL Cables PLC has been included in S & P Sri Lanka 20 Index of Colombo Stock Exchange (CSE) in June 2026.

MANAGEMENT DISCUSSION AND ANALYSIS

DOMESTIC BUSINESS ENVIRONMENT

As ACL Cables PLC enters 2025/26, the Company does so from a position of earned resilience, building on the strong foundation laid during 2024/25. The prior year saw the Sri Lankan economy record meaningful progress; GDP growth turned positive, inflation remained contained, and exchange rate conditions were broadly stable, all of which created a conducive operating environment. However, as the year progressed into its final quarter, conditions began to shift, and 2025/26 opens against a more cautious backdrop that the Company is navigating with discipline and focus.

The government's commitment to fiscal discipline, combined with continued progress under the IMF's Extended Fund Facility (EFF), provided a credible anchor for macroeconomic stability in 2025/26. Additional IMF disbursements, together with ongoing support from multilateral institutions such as the World Bank and the Asian Development Bank, helped strengthen Sri Lanka's foreign reserves to a level that provided meaningful resilience against external shocks.

The construction sector, a critical driver of economic activity, witnessed a notable revival. The resumption of stalled projects, increased government spending on infrastructure, and improved access to financing fueled growth in the sector. This resurgence had a multiplier effect on related industries, including manufacturing and logistics, creating a positive ripple effect across the economy.

The financial year saw a favourable shift in Sri Lanka's interest rate environment, as monetary policy easing gained traction on the back of declining inflation. The Central Bank of Sri Lanka (CBSL) reduced benchmark interest rates progressively, and while this supportive regime benefited businesses through much of 2025/26, the pace of further easing is expected to moderate in 2026/27 as external pressures introduce new policy considerations.

Headline inflation averaged -0.5% during 2025 compared with 1.2% in 2024, enabling the CBSL to cut policy rates, a development that lowered borrowing costs for businesses and households and stimulated credit and investment activity. Entering 2026/27, whilst inflation remains relatively contained, any pass-through from rising import costs and currency depreciation could exert upward pressure, and the Company is monitoring this closely.

The Sri Lankan Rupee (LKR) demonstrated notable stability during 2025/26, appreciating on average against the US Dollar on the back of improved tourism earnings, worker remittances, and export proceeds. The USD/LKR exchange rate averaged 304 during the year, compared to 297 in the prior year. However, the Rupee came under renewed pressure towards the close of 2025/26, a trend which is expected to continue into 2026/27 and represents a key cost risk for the Company.

For ACL Cables PLC, the macroeconomic conditions of 2025/26 delivered tangible benefits, though the Company is mindful that several of these tailwinds are now moderating as 2026/27 unfolds:

- **Reduced Financing Costs:** Lower borrowing rates decreased the Company's interest expenses, improving profitability.
- **Import Cost Management:** Exchange rate stability through much of 2025/26 minimised volatility in raw material procurement costs, aiding margin management.
- **Demand Revival:** Affordable credit spurred construction and infrastructure activity, driving demand for cables and related products.

Looking ahead, the CBSL's commitment to inflation targeting and fiscal consolidation is expected to provide a degree of stability; however, as noted in the Future Outlook section below, the macroeconomic environment has become more challenging towards the close of the financial year, with rising raw material costs and Rupee depreciation expected to exert pricing and margin pressure in 2026/27.

FUTURE OUTLOOK

The macroeconomic environment entering 2026/27 is characterised by a more complex and uncertain landscape compared to the relative stability experienced through much of 2025/26. Whilst the foundations established through the IMF Extended Fund Facility and broader structural reforms continue to underpin Sri Lanka's economic recovery, a number of external and domestic variables have shifted in a less favourable direction that the Company is closely tracking.

On the currency front, the Sri Lankan Rupee has experienced depreciation against the US Dollar towards the close of 2025/26, a trend that is expected to persist into 2026/27. Given ACL Cables PLC's reliance on imported raw materials including Copper, Aluminium, and petroleum-based insulating compounds a weaker Rupee directly translates into higher input costs denominated in local currency. The Company's procurement and Treasury functions are actively engaged in monitoring exchange rate movements and evaluating hedging strategies to mitigate the impact on cost structures.

Global commodity and raw material prices have risen sharply, driven in part by the ongoing Middle East conflict and its cascading effects on energy costs, freight rates, and the availability of key industrial inputs. Copper and Aluminium the primary raw materials in cable manufacturing have seen notable price increases on global exchanges, exerting upward pressure on the Company's cost of production. These elevated input costs, if sustained, are likely to compress margins unless offset by corresponding adjustments in selling prices or efficiency gains.

Domestically, broader macroeconomic variables are also expected to shift during 2026/27. Whilst inflation has remained contained thus far, any pass-through from higher import costs and currency depreciation could place renewed upward pressure on consumer prices. Interest rate policy by the CBSL is expected to remain data-dependent, with the pace of further easing likely to be moderated in light of external risks. Government fiscal

consolidation, whilst positive for long-term stability, may temper public sector capital expenditure in certain areas, which could affect demand in segments of the construction and infrastructure market.

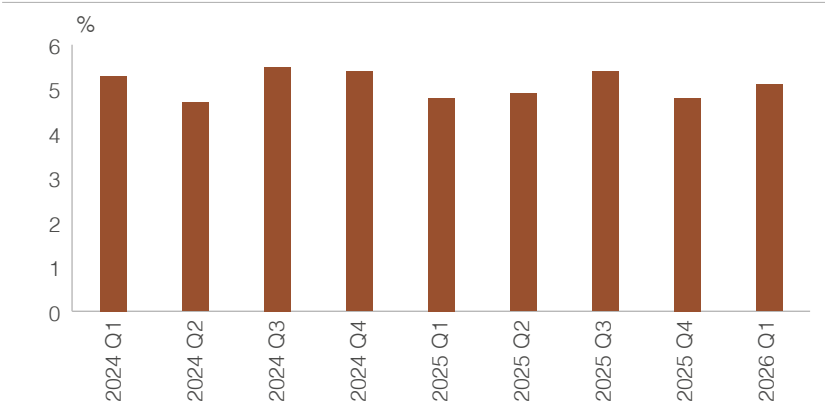
Despite these headwinds, the Company remains cautiously optimistic. The structural reforms undertaken in recent years, continued multilateral support, and growing investor confidence in Sri Lanka's recovery trajectory provide a degree of macroeconomic resilience. ACL Cables PLC is well-positioned to navigate this evolving environment through proactive pricing management, supply chain optimisation, and a disciplined approach to cost control, whilst continuing to invest in the capabilities needed to capture long-term growth opportunities in the domestic and export markets.

RENEWABLE ENERGY SECTOR

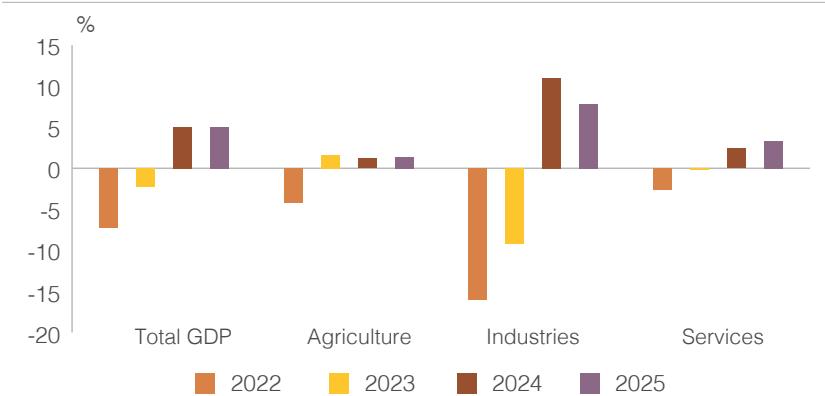
Sri Lanka made significant strides in its renewable energy ambitions during 2025/26. The government's accelerated renewable energy development program gained momentum, with several private-sector-led projects coming online. Investments in solar and wind energy infrastructure not only reduced the country's reliance on fossil fuels but also positioned Sri Lanka as a regional leader in sustainable energy. The wire and cable sector, in particular, benefited from the increased demand for transmission and distribution lines, driven by these renewable energy initiatives.

ACL Cables PLC capitalized on this growth through its strategic investment in Resus Energy PLC, further solidifying its presence in the renewable energy value chain. The Company's focus on innovation and sustainability aligned perfectly with national goals, creating new opportunities for expansion and collaboration.

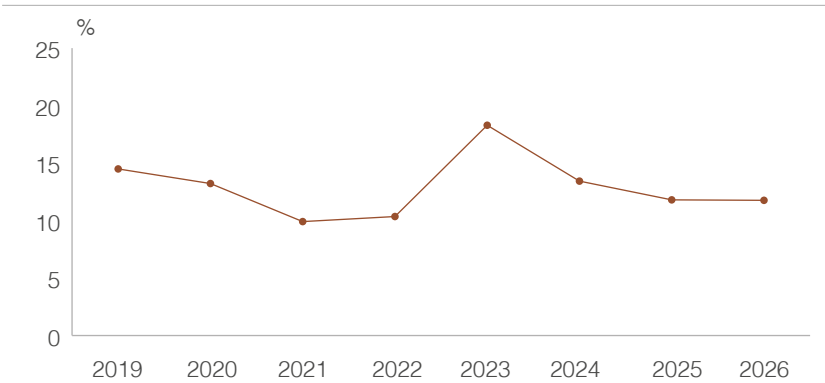
GDP Growth by Quarter



GDP Growth by Sector

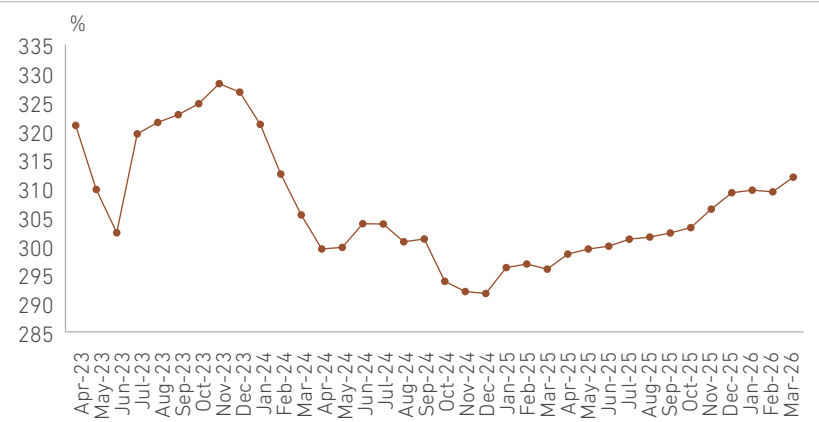


AWPLR

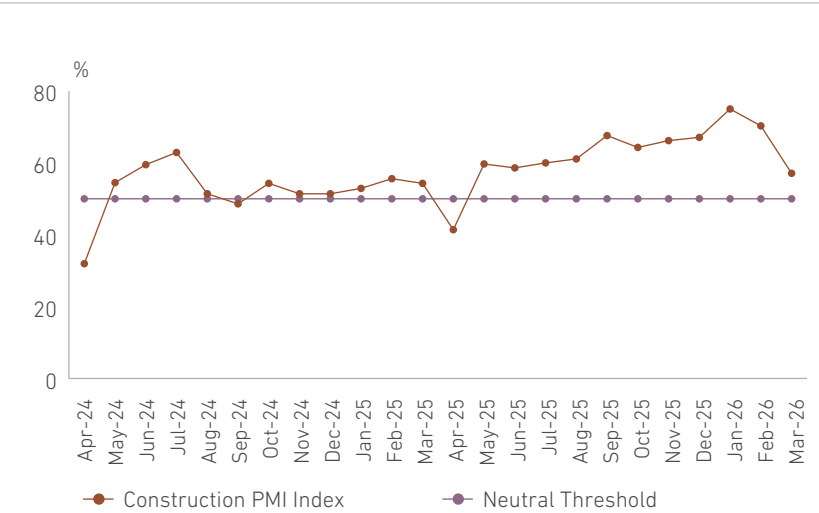


MANAGEMENT DISCUSSION AND ANALYSIS

Average Exchange Rate (USD)



Construction PMI Index



CONSTRUCTION SECTOR

The construction sector emerged as a beacon of recovery in 2025/26, marking a stark turnaround from the challenges of previous years. The sector's contribution to GDP rebounded, supported by the following key developments:

- Resumption of Infrastructure Projects:** Government-funded infrastructure projects, including road networks, urban development, and housing schemes, regained momentum.
- Private Sector Revival:** Improved macroeconomic stability, including lower interest rates and exchange rate consistency, encouraged private sector investment in residential and commercial construction.
- Technological Advancements:** The adoption of sustainable construction practices and green building materials gained traction, driven by global trends and local demand for energy-efficient solutions.

The Purchasing Managers' Index (PMI) for construction consistently remained above the neutral threshold of 50 throughout the year, reflecting sustained growth and optimism. ACL

Cables PLC, with its strong foothold in the construction materials market, was well-positioned to meet the rising demand for high-quality cables and related products.

ACL CABLES PLC - PERFORMANCE HIGHLIGHTS

ACL Cables PLC continued to demonstrate resilience and adaptability in 2025/26, achieving remarkable financial and operational milestones:

- **Financial Performance:** The Company recorded a turnover of LKR 22.9 billion, reflecting a 32% growth compared to the previous year. Profit after tax increased by 56%, reaching LKR 3.8 billion, driven by operational efficiencies and strategic cost management.
- **Operational Excellence:** Investments in manufacturing capabilities and distribution networks enhanced the Company's ability to serve both domestic and international markets. The expansion of dealer and distributor networks further strengthened its market presence.
- **Awards and Recognitions:** ACL Cables PLC was honoured with multiple accolades during the period, including the Gold Award at the NCE Export Awards under the Extra Large category, Electronic & Electrical product sector, and the Ethical Trading Award.

STRATEGIC DIRECTION

Looking ahead, ACL Cables PLC is poised to build on its success with a forward-looking strategy:

- **Diversification:** Reducing dependency on the local market by expanding exports and exploring new geographic regions.
- **Innovation:** Leveraging cutting-edge technologies to enhance product offerings and manufacturing processes.
- **Sustainability:** Aligning with global sustainability trends to meet the growing demand for eco-friendly solutions.

S

STRENGTHS

- Strong distribution and logistics capabilities: ACL Cables PLC benefits from robust distribution and logistics networks, allowing for efficient delivery of products to customers.
- Established brand synonymous with quality: The Company has built a reputable brand known for producing high-quality products, earning trust and loyalty from customers.
- Backward Integration in the Value Chain

W

WEAKNESSES

- Dependency on the construction industry: ACL Cables PLC's revenue is heavily reliant on the performance of the construction sector, making it vulnerable to fluctuations in construction activity.
- Dependency on the local market: The Company's reliance on the domestic market exposes it to risks associated with local economic conditions and market saturation.
- Dependency on a few public sector organisations: The Company's revenue may be impacted by its concentration of public sector clients, increasing vulnerability to changes in government spending priorities and procurement policies.

O

OPPORTUNITIES

- Expand the Product Portfolio: The recovery of the construction industry presents opportunities for ACL Cables PLC to increase sales and expand its market share.
- Diversification of supplier bases by foreign clients: Global trend on diversification of supply chain would benefit ACL by leveraging already established customer networks in overseas.

T

THREATS

- Increase in commodity prices: The increase of Copper and Aluminium Prices will impact the margins of the Company
- Loss of tacit knowledge due to the loss of talent: Attrition of skilled employees can result in the loss of valuable knowledge and expertise, potentially affecting productivity and innovation.

MANAGEMENT DISCUSSION AND ANALYSIS

P

POLITICAL AND LEGAL

The Sri Lankan construction sector's subject to periodic regulatory changes by the government, particularly regarding raw material procurement, permit approvals, renewable energy usage, and safety standards. However, frequent alterations in regulations and limited implementation timeframes pose challenges for the industry. Moreover, the industry's heavy reliance on imported raw materials makes it susceptible to fluctuations in import tariffs and controls.

E

ECONOMIC FACTORS

The growth of the domestic construction sector aligns with overall economic growth, as heightened economic activities and income levels drive demand for residential projects.

Stable Interest rates and inflation favourably impact borrowing costs and capacity expansion plans due to the sector's capital-intensive nature. Stability in interest rates and inflation, crucial for private sector credit growth, is supported by the government's commitment to the IMF-EFF program, aimed at achieving macroeconomic stability. Exchange rate stability remains critical given the industry's heavy dependence on imported raw materials; however, the Rupee depreciation observed in the final quarter of 2025/26 has introduced renewed cost volatility. Additionally, a sharp increase in global raw material prices, partly attributable to the Middle East conflict and its impact on shipping and commodity markets, has begun to erode margins. Looking into 2026/27, the broader macroeconomic environment is expected to evolve, and sustained pricing pressure, higher input costs, and exchange rate fluctuations are anticipated to be key risk factors. Despite these headwinds, upsides include continued investor confidence, private sector investment in high-rise and infrastructure projects, and the conducive structural reform climate supported by the IMF-EFF program.

S

SOCIAL

The construction sector is a significant employment generator, essential for social stability. Population growth drives housing demand, necessitating residential construction projects, while infrastructure development meets connectivity needs. Urbanisation boosts demand for urban infrastructure/housing and mixed-use development projects. Changes in household size impact housing demand, influencing residential construction types. Growing environmental awareness leads to increased demand for green building materials and energy-efficient designs.

T

TECHNOLOGICAL

Following the economic crisis, there is increased adoption of renewable energy technology due to the over reliance on fossil fuels. However, uptake of advanced manufacturing technologies like AI, AR, and VR remains limited as companies slowly integrate them into existing processes. Raw material companies prioritise sustainable building materials for export markets, aligning with global eco-friendly construction trends and the use of recycled materials.

CONCLUSION

ACL Cables PLC enters 2026/27 with a sense of cautious optimism. The strong performance delivered in 2025/26 marked by revenue growth, improved profitability, and operational progress has strengthened the Company's foundations and expanded its capacity to absorb near-term pressures. The macroeconomic backdrop, whilst more challenging than the prior year, is not without opportunity. Sri Lanka's ongoing structural reforms, continued multilateral support, and recovering domestic demand present avenues for growth that the

Company is well-positioned to pursue. At the same time, the Company acknowledges that rising raw material prices, Rupee depreciation, and evolving global trade dynamics will require careful management of costs, pricing, and supply chains. The Board and management remain vigilant and proactive, with a clear focus on protecting margins whilst investing in the capabilities that will sustain long-term competitiveness.

The Company's track record of navigating complex environments from the economic crisis to the recovery reflects an organisation that is adaptive, disciplined, and purposeful. Whilst the road ahead carries risks that must be respected, ACL Cables PLC approaches 2026/27 with conviction in its strategy, confidence in its people, and a firm commitment to delivering sustainable value to all its stakeholders.

EXPORT

EXPANDING HORIZONS TO FOSTER GROWTH

As the global economies open up, we are primed to reignite our growth aspirations in international markets.

CURRENT POSITION

Our diversified portfolio, premium products, customised solutions, strategic pricing approach and deep industry knowledge help us to cater to the ever-evolving needs of our overseas customers. We export multiple products including domestic cables, power cables, and switches and accessories to customers in more than 10 countries across the world.

Our export division closely works with our clients to develop strong relationships with them. Increasing collaborations with dealer and distributor networks in overseas customers is adding value to our proposition and helping us to engage effectively with our existing and potential customers.

Despite the economic contraction, we managed to import the raw materials on time and cater to our overseas customers with on time deliveries. Thanks to favourable exchange rate and the new market opportunities, we were able to substantially grow our export business during the period.

OUR FOCUS

We aim to increase our footprint in the already established international markets and branch out into new regions in order to take the export business to the next level.



INSTITUTION

CAPITALISING ON PROJECT MARKET

Maximising Market Potential:
Leveraging Government and
Private Sector Investments for
Rapid Growth in ACL Cables
PLC Institutional Segment.

CURRENT POSITION

Over the years, ACL has emerged as a dominant player in the institutional market backed by strong pre-qualification credentials, multi product portfolio, unique manufacturing capabilities, and widespread product availability across the island. Our institutional product range comprises LV power cables control and telecommunication cables and Medium HV conductors and other solutions.

Our sales team is focused on achieving better results in spite of contracting demand conditions due to the economic downfall and continue to do so with expected improvements in the economy.

OUR FOCUS

We aim to garner a higher market share in the institutional segment. We are also focused on introducing new products into the institution market to fuel our growth ambition in the institution segment.



RETAIL MARKET

EXPLORING OPPORTUNITIES

Our focus is on growing our retail segment by capturing opportunities in the midst of economic growth.

CURRENT POSITION

ACL is a branded product in the local retail market and the brand has created significant value in our consumers' mind. Hence we were able to capture the significant market share in the retail market, with the overall electrical solutions our valued distributors and dealers have promoted our products.

During the FY 2025-26 we mainly focused on protecting our customers and giving confidence, as the economy and the political uncertainty which prevailed during the financial year had a significant impact on our retail segment.

Despite all the challenges we faced, our marketing team was able to achieve superior performance in FY 2025-26, proving our dynamism factor through our retail market and brand identity.

OUR FOCUS

We aim to explore more opportunities in the retail market and gain higher market share in this segment. To support our goal of expansion in the retail segment, we are also concentrating on expanding our presence of our switch and MCB ranges into the market, whilst strengthening our brand presence.



FINANCIAL CAPITAL



Delivering sustained financial returns through disciplined capital allocation, operational leverage and a strengthening balance sheet.

LKR 45,508Mn

Group Revenue

LKR 7,280Mn

Group profit after tax

LKR 42,978Mn

Total Equity

18%

Return on equity



FINANCIAL PERFORMANCE

Despite the economic challenges the Group produced an exceptional financial performance to conclude the fiscal year with a consolidated revenue of Rs. 45,508Mn.

Further, the Group was able to achieve a Rs. 7,280 Mn profit after tax in financial year 2025/2026, compared with Rs. 5,420 Mn in financial year 2024/2025.

Profitability indicators

	2025/26	2024/25	Movement
Revenue	45,508	37,487	▲ 21%
Gross profit	11,454	10,224	▲ 12%
Gross profit margin	25%	27%	▼ -8%
Operating profit	9,178	7,466	▲ 23%
Profit after tax	7,280	5,420	▲ 34%
Net profit margin	16%	14%	▲ 11%
Earning per share	8.82	6.37	▲ 38%

FINANCIAL POSITION

Group's Total Assets increased by 21% to Rs. 52,843 Mn during the 2025/26 financial year.

The Group's total exposure to external borrowings is Rs. 2,180 Mn which reflects an increase of 57% compared with the last financial year. The Group's gearing ratio has increased to 5.07% during the current financial year.

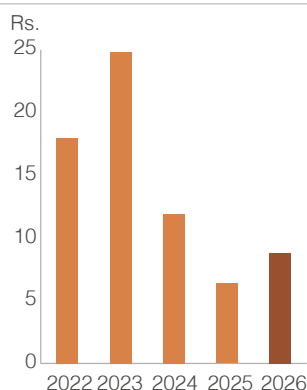
Working capital increased from Rs. 27,939 Mn to Rs. 34,305 Mn mainly due to the increase in inventory and trade receivables. Group current ratio decrease from 5.86 to 5.49 during the year. Capital expenditure for the year was Rs. 400 Mn which was mainly funded by debt.

Key Balance Sheet Indicators

 Total Assets (Rs.Mn)		 Total Equity (Rs.Mn)		 External Borrowings (Rs.Mn)	
2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
52,843	43,654	42,978	36,020	2,180	1,385

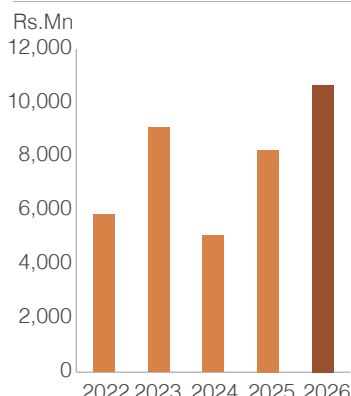
 Gearing Ratio (%)		 Current Ratio (Times)		 Interest Cover (Times)	
2025/26	2024/25	2025/26	2024/25	2025/26	2024/25
5.07%	3.85%	5.49	5.86	85.62	49.60

Basic/Diluted Earnings Per Share for the year ended 31 March

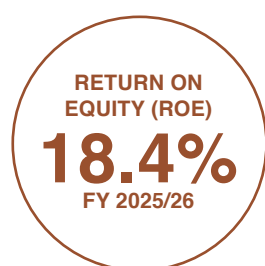
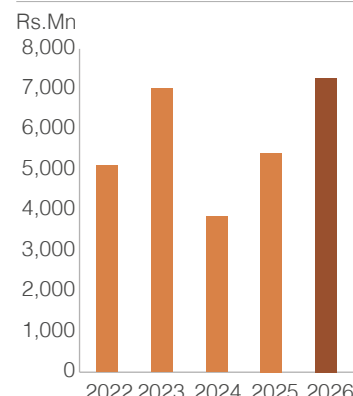


*Current year 2026 and 2025 figures reflect the effect of 1:3 share subdivision

Earnings Before Interest and Taxes for the year ended 31 March



Profit After Tax for the year ended 31 March



Creating sustainable value for our shareholders

ROE of 18.4% driven by a healthy balance of profitability, asset efficiency and leverage.

PROFITABILITY
Net Profit Margin
16%

Net Profit Margin
16%



Net Profit
7,280,243



Revenue
45,507,609

x

EFFICIENCY
Asset Turnover
0.94

Asset Turnover
0.94



Revenue
45,507,609



Average Total Assets
48,248,368

x

LEVERAGE
Equity Multiplier
1.22

Equity Multiplier
1.22



Average Total Assets
48,248,368



Average Shareholder's Equity
39,499,043

RETURN ON EQUITY (ROE)
= 18.4%

Total Average Assets
48,248,368

Avg. Current Assets 37,818,246
Avg. Non Current Assets 10,430,122

Total Average Liability
8,749,325

Avg. Current Liability 6,696,381
Avg. Non Current Liability 2,052,945

KEY INSIGHTS



Healthy Profitability
Net Profit Margin of 16% reflects strong operational performance.

Efficient Asset Use
Asset Turnover of 0.94 shows effective utilisation of assets to generate revenue.

Prudent Leverage
Equity Multiplier of 1.22 indicates a balanced approach to leverage, supporting sustainable growth.

Value Creation
ROE of 18.4% demonstrates our ability to convert resources into shareholder value.

HUMAN CAPITAL



Cultivating a skilled, engaged and inclusive workforce as the cornerstone of ACL's sustainable operational excellence.



1,644

Total Employees

LKR 2,988 Mn

Employee Remuneration

1,462

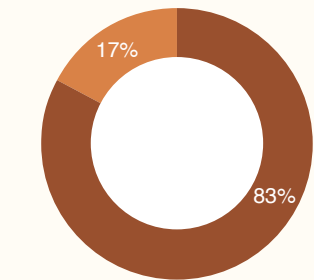
Permanent Workforce

Workforce Composition & Growth

The ACL Group employed a total of 1,644 people as at 31 March 2026, reflecting the Group's ongoing expansion and growing operational footprint. During the year, 429 individuals joined the Group as new hires, reinforcing ACL's standing as a preferred employer in Sri Lanka's manufacturing sector. Total remuneration and benefits disbursed to employees amounted to LKR 2,988 Mn, underscoring the Group's commitment to equitable compensation.

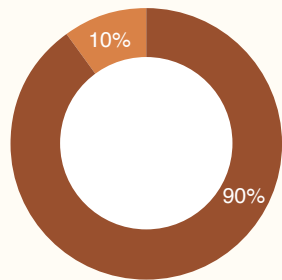
Gender Representation	Employment Type
Male employees constitute 83% of the workforce, with female representation standing at 17%. ACL is committed to progressively increasing gender balance, particularly at supervisory and management levels.	90% of the workforce is engaged on a permanent basis, providing employment stability and career continuity. Contract employees (10%) are deployed to address operational flexibility requirements.

Group total employees by gender



● Male Employees
● Female Employees

Permanent and contract employees as a share of the total workforce



● Permanent Employees
● Contract Employees

EMPLOYEE ENGAGEMENT

Employee engagement has been identified as a key pillar in ACL Cables PLC business strategy. Despite the challenges in the external environment, ACL Group was prompted to adopt various activities to improve employee spirit and camaraderie through numerous initiatives.

As a result of these initiatives, employees engaged with the Management to understand the Business Strategy and support the Group's commercial sustainability.

EMPLOYEE TRAINING AND DEVELOPMENT

A progressive learning strategy is an important prerequisite in meeting future business needs in today's dynamic and complex operating landscape. As a Group, we always believe that developing people's capabilities and skills is very important to achieve the company goals. The Group held leadership and motivational development programmes, as well as on-the-job training programmes, with the goal of nurturing the next generation.

RECOGNISING OUR EMPLOYEES

We encourage employee retention at our workplace to ensure our trained staff stays with us. As a token of appreciation and recognition for such long standing employees we reward employees who served ACL for over 25 years with a gold coin presented by our Chairman and Managing Director.



EMPLOYEE WELL-BEING AND SAFETY

Occupational health and safety measures were maintained, backed up by strong governance structures, safety certification compliance, as well as tools and procedures for identifying and reporting potential health and safety risks. Further, the health of our employees is of utmost importance and the Group successfully balanced this with the need to ensure continuity and productivity of operations.

DIVERSITY

Diversity in ACL is not only a reflection of societal demographics but also a strategic imperative for organisation seeking to drive innovation, foster creativity, and achieve sustainable growth. To foster employee diversity, we recruit staff from diverse backgrounds and created a culture of inclusivity where all employees feel respected, supported, and valued for their unique contributions.



PERFORMANCE MANAGEMENT

Year-end evaluations serve as crucial checkpoints in assessing employee performance against the set goals. Through these evaluations, we effectively gauge the progress and achievements of our team members, while identifying areas for improvement and growth. Our performance management process involves a thorough examination of each employee's contributions, accomplishments, compliance to established goals and standards, their technical skills and furthermore, the results of these evaluations play a vital role in both competency development and staff retention.

NON-DISCRIMINATION

ACL believes in giving equal opportunity to all and, we do not discriminate on the grounds of gender, age, race & cultural differences. We unceasingly encourage our employees who have concerns of serious misconduct or any breach or suspected breach of law or regulation that may adversely impact the Company, to come forward and express such concerns without fear of punishment or unfair treatment through our 'whistleblowing' and 'open door' policies.

EMPLOYEE ENGAGEMENT EVENTS

We have implemented a range of diverse activities aimed at enhancing employee engagement within our organisation. Our initiatives include health camps focused on promoting wellness and encouraging our team members to prioritise their health. These camps not only provide valuable health checks and information but also foster a culture of well-being among our employees.



HUMAN CAPITAL

During the holiday season, we organise Christmas carol sessions, creating a festive atmosphere that brings joy and camaraderie to the workplace. This tradition not only celebrates the spirit of Christmas but also strengthens bonds among colleagues through shared musical experiences.

In observance of cultural and religious diversity, we arrange Poson Bathi Gee, honouring the significance of Poson Poya, a Buddhist holiday. This event allows employees to connect with traditional music and teachings, promoting mutual respect and understanding among different faiths within our workforce.

Additionally, our annual trips serve as an opportunity for team building outside of the office environment. These outings provide a chance for employees to relax, unwind, and forge deeper connections with their peers, ultimately contributing to a more cohesive and motivated team.

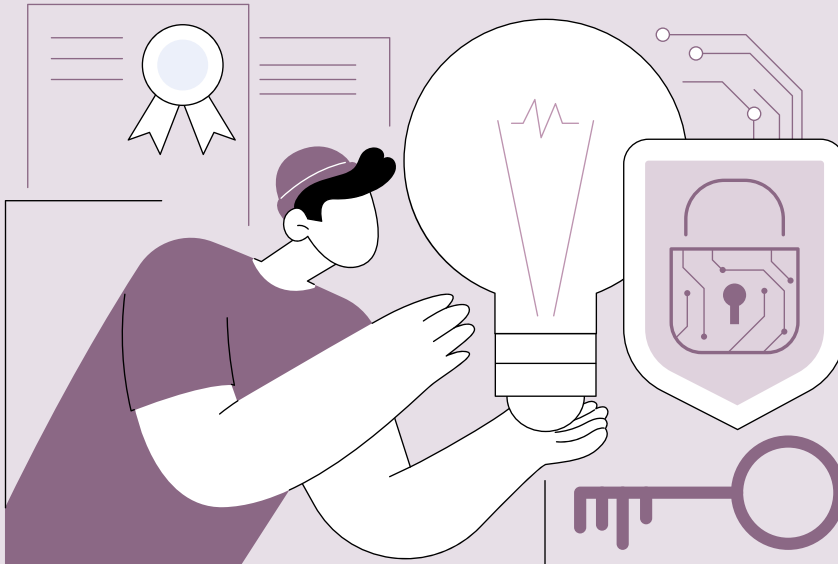
Through these varied activities, we strive to create a workplace environment that values both professional growth and personal well-being, ensuring that our employees feel engaged, appreciated, and supported in all aspects of their lives.



INTELLECTUAL CAPITAL



Translating over six decades of manufacturing expertise, brand equity and innovation capability into enduring competitive differentiation.



Top 50

Most Valuable Consumer Brands

No. 1

Winner in the construction sector at the National Business Excellence Awards 2026.

64 Years

Industry Expertise

KNOWLEDGE, SKILLS AND EXPERIENCE

As an electrical cable manufacturer, professional expertise is one of our key competencies related to the products we provide to our customers. ACL's knowledge and expertise has been built and enhanced through years of experience operating in the manufacturing sector. Professional expertise ensures that we deliver high quality products consistently to the customers. We enhance our intellectual capital through continuous professional development strategies and we have been successful in retaining the talents and expertise within our Group which drive sustainable growth and success.

PROCESSES, SYSTEMS AND PROCEDURES

Our processes, systems and procedures are efficient and they define clear

responsibilities of our team members to meet the business promises and to position ACL ahead of the competition. Our business operations are driven by the Project Management Systems, Financial Reporting processes, Risk mitigating and internal controls, Environment Management systems and Health and safety control systems. These processes, systems and procedures are designed and reviewed continuously in a comprehensive manner to ensure that the benchmarks and operational objectives are achieved and followed.

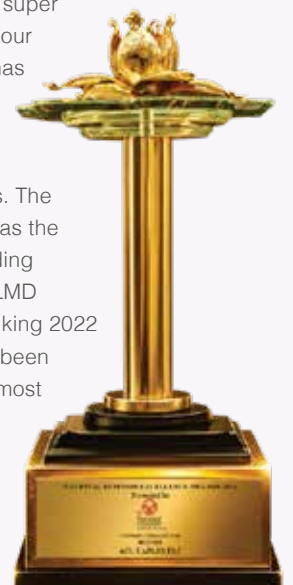
QUALITY STANDARDS

ACL has been recognised over the years for its product quality, expertise, as reflected in the below certifications and accreditations;

- ISO Certificates
- National Quality Award

BRAND VALUE

As a pioneer in Sri Lanka's electrical cable manufacturing sector, we have ensured to provide super quality products to our customers, which has earned ACL the trust and positive reputation of our valuable customers. The brand ACL ranked as the most valuable building material brand by LMD Brands Annual Ranking 2022 and our brand has been among the Top 50 most valuable consumer brands in Sri Lanka.

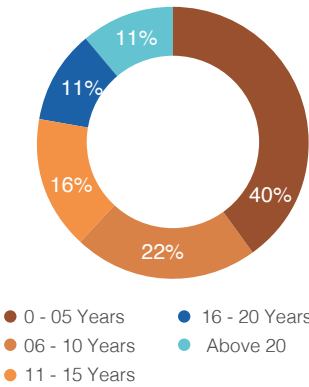


INTELLECTUAL CAPITAL

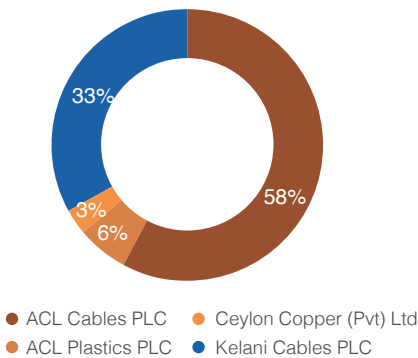
CULTURE

ACL has always maintained an open, cooperative, growth culture within our organisation which is comprehensive and nurturing. Our core values, objectives, business and work ethics, practices and procedures are directed by our organisation culture, which has a solid influence in every aspect of our business. We have encouraged consistent open communication among our employees and other stakeholders through our open- door policy and customer suggestion handling. We also created a sense of community and a corporative culture within the organisation to encourage career progression by inspiring our employees to achieve their aspirations, by motivation and rewarding our employees to reach great heights of success.

Staff by Number of Years in Service



Staff With 10 and above years of service %



SOCIAL AND RELATIONSHIP CAPITAL



Building enduring partnerships across the value chain from global suppliers to local communities as a foundation for resilient and inclusive growth.



891

Direct Dealer Network

252

Distributors

222

Export Customers

18

Export Destinations

205

International Suppliers

The interactions we have with our stakeholders determine our capacity to expand and maintain our market position. Continuous operations and top-notch products depend on a solid supply base. This will help us maintain a foundation of devoted customers who will buy our items and sustain our cash flows. Smooth operations depend on having good relationships with the authorities, and our sustainability depends on the community in which we operate.

ACL is driven by our value engineering mindset, which prioritises flexibility, creativity, and quality, to provide our diverse customer base with competitive solutions for projects of various sizes and levels of complexity. It is the single most significant characteristic that sets us apart from our rivals and enables us to provide quicker, more dependable, and more affordable solutions. Because of our comprehensive

strategy, we are self-sufficient and can complete projects without experiencing delays or cost hikes

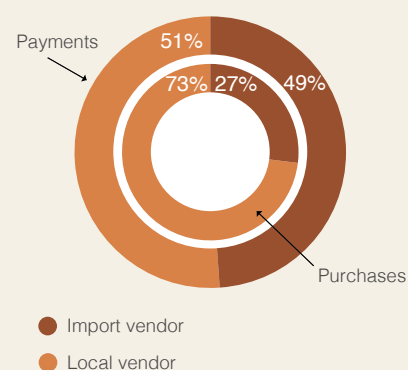
CUSTOMER CAPITAL

Our customer capital varies from government institutions; Ceylon Electricity Board, construction companies and contractors who cooperate with us on large tender projects and building consultants who promote our products, to the end customers and our network of dealers and distributors who portray our product in the retail market.

We are equally devoted to serve all clients as the top manufacturer of electric cables, with a focus on going above and beyond their expectations in terms of both product and service at every point of contact. Apart from being the market leader in Sri Lanka, ACL has expanded our presence globally.

We export multiple products including domestic cables, Power cables, and Switches and accessories to customers in more than 10 countries across the world.

Suppliers - Foreign And Local Purchases Vs Payments



SOCIAL AND RELATIONSHIP CAPITAL

SUPPLIER CAPITAL

ACL purchases products from a wide range of local and international suppliers to make electric cables. Majority of raw materials are imported from several nations, including UAE, China, Singapore & Vietnam and the Group made sure that inputs were always available by prudently forecasting demand and production patterns. By proactively managing working capital cycles and obtaining favorable credit terms from international suppliers, the supply chain was able to carefully navigate disruptions brought on by import restrictions and a depreciating currency. Suppliers are screened using a mix of financial and non-financial criteria.

Supplier relationships are a key element of Resus' relationship capital and suppliers have shown their continuous willingness to undertake supply contracts repeatedly with the Company. There have not been any significant actual or potential negative impacts on society, the environment, labor practices or human rights impacts in the supply chain.

COMPLIANCE

ACL Cables PLC is an uncompromising law-abiding corporate citizen, thus legal compliance is regarded as a high priority. We conduct periodic review on the compliance status to ensure the compliance with all laws and regulations of the country. There have not been any significant non-compliances observed.

COMMUNITY CAPITAL

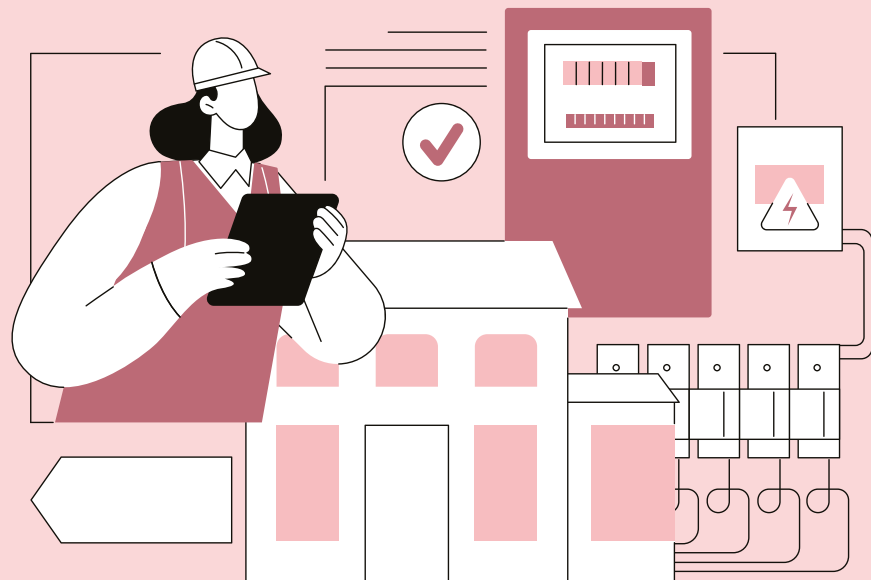
The Group's CSR strategy is built on generating significant socio-economic and environmental change since it supports boosting long-term stakeholder value. Through a structured CSR Framework, which serves as the guide for the Group's community initiatives, the overall CSR vision of the Group and business strategy are aligned. We see it as our obligation to support the growth of the neighborhood where we do business. Sustainability in the social and environmental spheres can be widely applied to several initiatives.

As a policy encapsulated in our Code of Ethics, we deliver what we promise to them. We continuously monitor and assess the impact of our business on our local communities and have adopted practices that prevent or mitigate any negative impacts. There were no significant actual and potential negative impacts on local communities from our business operation.

MANUFACTURED CAPITAL



ACL Cables PLC Prioritises its Manufactured capital and sustainable manufacturing methods to produce superior quality products and drive future growth.



Rs. 6,266 Mn

PPE

Rs. 400 Mn

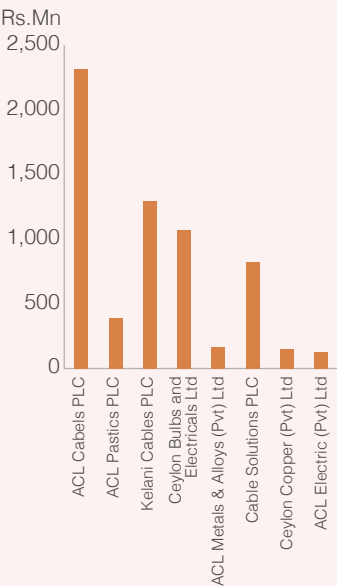
CAPEX

12

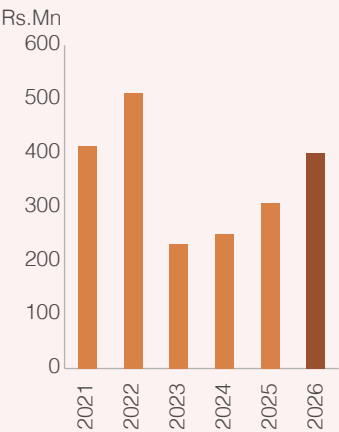
No of Plants

Manufactured Capital is a vital factor of the Group's sustainable value creation process. It empowers and ensures that the products being manufactured and delivered to all customers are of superior quality thus strengthening the brand.

PPE by Company as of 31 March 2026



Investment in PPE - Group

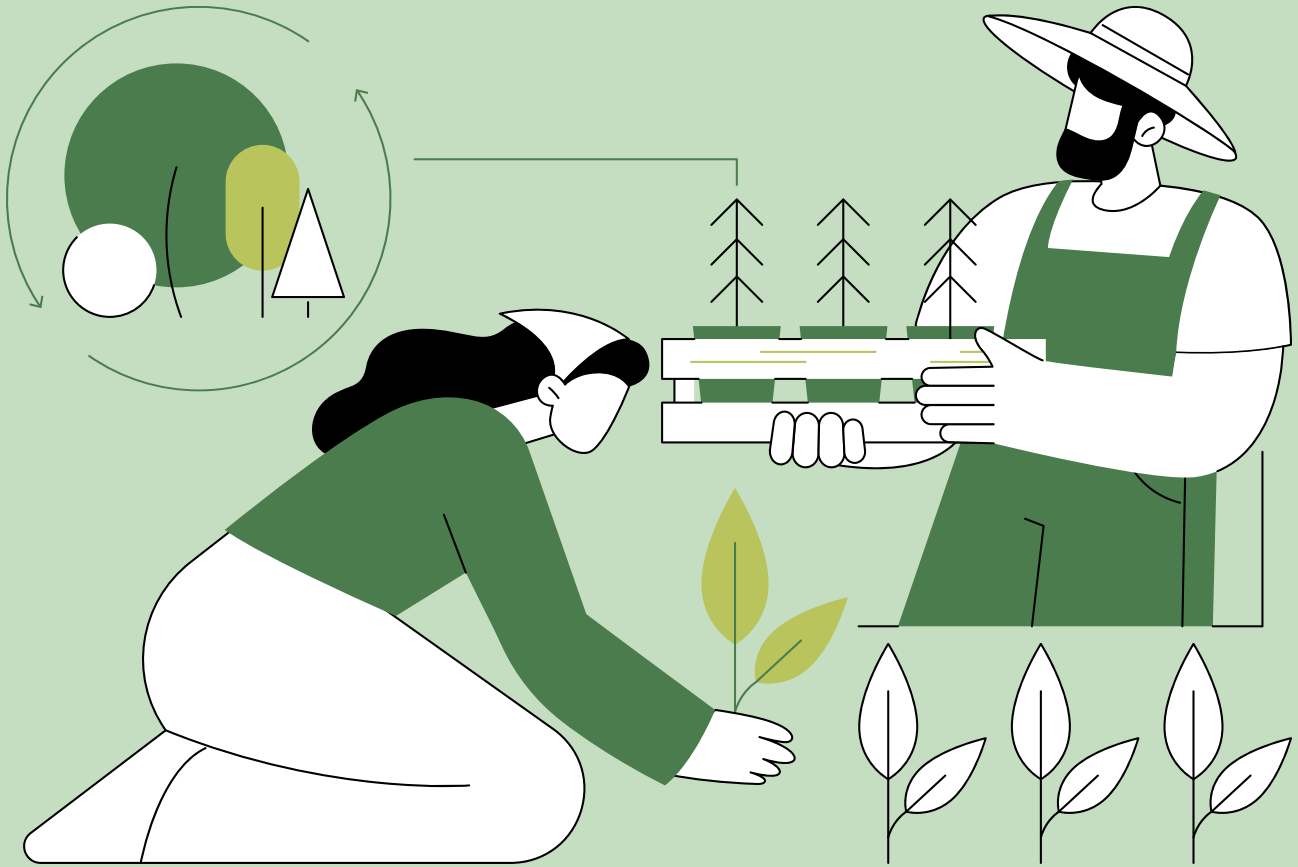


WAY FORWARD

With the goal of increasing foreign exchange generation capacity, the Group will continue to direct investments toward strengthening its value added product offerings and export-oriented businesses. Sustainable manufacturing methods will be prioritised in investment decisions as the Group strives to integrate environmental consciousness into all aspects of its operations.



NATURAL CAPITAL



ENVIRONMENTAL MANAGEMENT AND STEWARDSHIP

1. Board of Directors

- Set the strategic vision for sustainable growth.
- Champion policies for natural capital & environmental stewardship.
- Commit to ESG leadership and drive long-term value.

2. Senior Management: Turning Vision into Action

- Translate strategy into actionable goals.
- Innovate with eco-friendly technologies and resource efficiency
- Set the green standard with measurable sustainability targets.

3. Operational Teams: The Green Engine

- Implement daily sustainable practices: energy, water, waste, and circularity
- Optimise operations to reduce carbon footprint and enhance resilience.
- Empower teams to innovate for impact.

4. Employees: Everyday Sustainability Heroes

- Engage in small, impactful sustainable actions.
- Promote eco-conscious behaviors and resource conservation.
- Innovate, share ideas, and drive grassroots change.

5. Monitoring & Reporting: Transparent & Transformative

- Measure and report progress on natural capital impacts.
- Celebrate milestones and communicate results to all stakeholders.
- Adapt strategies to ensure continuous improvement and leadership

PREPARING FOR THE ADOPTION OF SLFRS S1 AND S2

As the landscape of non-financial reporting evolves, ACL Cables PLC is closely monitoring the developments. We recognise the significant benefits of aligning our non-financial reporting with SLFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information, and SLFRS S2 – Climate-related Disclosures.

To ensure smooth and effective adoption, we have already started streamlining our processes, identifying the necessary resources, and establishing clear responsibilities to fulfill the requirements for the mandatory adoption of SLFRS S1 and SLFRS S2. We have identified a range of Sustainability-Related Risks and Opportunities (SRRSOs) and Climate-Related Risks and Opportunities (CRROs) that could impact the Group's financial viability, and are actively working to address these challenges.

SUSTAINABILITY RELATED RISK

Climate Related Risk

Physical Risks

Occur due to climate change

Acute physical risk

This refers to extreme weather events that could potentially affect the business's operations and financial stability, including:

- Heatwaves
- Wildfires
- Storms, such as hurricanes and cyclones
- Floods

These climate-related events pose significant risks, and the business is actively assessing their potential impact on operations and financial outcomes.

Chronic physical risk

This refers to gradual shifts in climate patterns that could impact the business's operations and financial performance, including:

- Rising sea levels
- Water stress and drought
- Ocean acidification
- Desertification

These long-term climate changes present ongoing risks, and the business is closely monitoring and evaluating their potential effects on both operations and financial viability.

CLIMATE RELATED RISKS

In identifying climate-related risks that impact our operations, ACL focuses on two primary types: physical risks and transition risks.

Risk	Risk Categorisation	Description
Rising occurrence of severe weather events like heatwaves and floods	Acute Physical Risk	Extreme weather and natural disasters can interfere with our operations, leading to production setbacks and decreased sales from damaged facilities. They also disrupt the supply chain, drive up raw material costs, and impede distribution, all of which negatively affect revenue generation.
Water scarcity and drought conditions	Chronic Physical Risk	Water is crucial in cable manufacturing for cooling, cleaning, and lubricating machinery. Water shortages can disrupt production efficiency, potentially leading to overheating and equipment malfunctions.
Policy actions for a low-carbon transition	Transition Risk - Policy and Legal Risk	As a result of extensive use of chemicals, focusing on safe handling, sustainable practices, and compliance with environmental regulations will help minimize impact. Over time, this can lead to cost savings, efficiency gains, and potential tax benefits.
Failure to comply with new or stricter climate change laws and regulations	Transition Risk - Reputation risk	ACL is committed to sustainability and ESG initiatives to maintain its industry leadership. Non-compliance with climate regulations or stakeholder expectations could impact product demand and harm the business. To stay responsive, ACL works closely with customers, suppliers, and regulators, ensuring transparent communication.
Discontinuation of products or technologies ahead of their planned lifecycle	Transition Risk - Market Risk	Companies face the risk of early retirement of solvent-based products due to new regulations and customer demands. To address this, ACL expands its cable range annually, incorporating sustainability and climate-related considerations. Recently, the Company introduced energy-saving cables to mitigate this risk.
Competitive pressures driving the need to adapt strategies	Transition Risk - Market Risk	To maintain our market share in the face of competition from global leaders, our Company must quickly invest in and implement sustainability strategies

NATURAL CAPITAL

CLIMATE RELATED OPPORTUNITY

Climate-related opportunities refer to the potential positive impacts of climate change on a company. Efforts to mitigate and adapt to climate change can create opportunities, such as the development of new products or the capture of new business.

Opportunity	Opportunity categorisation	Description
Make strategic investments in energy	Investment	With the global shift toward clean energy sources like wind and solar power the market is now open for investment in renewable energy projects, supported by the Sri Lanka Sustainable Energy Authority
Energy efficient product lines	Innovation	As the world moves toward more energy-efficient infrastructure, cables that minimise energy loss are in demand. Low-loss cables, like those with improved insulation or enhanced conductivity, can contribute significantly to reducing overall energy consumption.
Green Manufacturing Practices	Investment	Emphasise sustainable production methods that reduce waste, emissions, and energy consumption during manufacturing. Invest in energy-efficient machinery, use renewable energy in manufacturing plants, and implement waste-reduction and recycling processes.

ENVIRONMENTAL SAFETY PROTOCOLS FOLLOWED BY THE COMPANY

National laws and regulations

The Company holds an Environmental Protection License (EPL) from the Central Environment Authority, in compliance with specified conditions. Additionally, it is certified with ISO 14001:2015 for Environmental Management and ISO 9001:2015 for Quality Management Systems, ensuring adherence to industry standards.

The four aspects of environmental capital at ACL Cables is as follows

1. Water resources management
2. Energy management
3. Waste management
4. Noise management

1. Water Resources Management

Water management

To ensure environmental responsibility, the Company takes measures to prevent any negative impact on ground or surface water bodies from water withdrawal.

Additionally, the factory premises are equipped with a rainwater harvesting system. The harvested rainwater is used for gardening and cleaning purposes within the facility, promoting sustainable water use.

Waste water management

To enhance water recycling, we have implemented a cooling system with cooling towers, with top management placing a strong emphasis on overseeing this process.

Our water management approach focuses on recycling and reusing water, supported by advanced recycling units at our manufacturing plant. We rigorously monitor the quality of water discharged from our operations, ensuring that it consistently meets the standards set by the Central Environmental Authority.

2. Energy management

Our primary energy sources include electricity, fossil fuels such as diesel and petrol, and renewable energy from solar power. Solar energy is utilised at our head office, main factory, and some subsidiaries, reinforcing our commitment to sustainable energy solutions.

To achieve the Group's energy objectives, we have implemented various initiatives, including structured energy utilisation plans to optimise consumption.

Additionally, we conduct regular training and awareness programs to educate employees on energy conservation practices, fostering a culture of sustainability within the organisation.

Energy Consumption

Source	Units	2026
Diesel	tCO ₂ e	745.13
Petrol	tCO ₂ e	324.07
Electricity	kWh	4,090,718
R32 Refrigerant Gas	tCO ₂ e	4.16
Solar PV Avoided Emission	tCO ₂ e	1,697.56



Environmental Impact Emissions

Metric	Unit	2026
Total electric energy consumption	kWh	4,090,718.00
1-Renewable energy consumption	kWh	2,868,291.00
2-Non-renewable energy consumption	kWh	1,222,427.00
% Renewable energy consumption	%	70%
Renewable energy generation	kWh	2,868,291.00
Renewable energy generation %		
1-Out of total energy consumed	%	70%
Total carbon footprint (GHG emissions)	tCO ₂ e	2,734.19
Scope 1 emissions	tCO ₂ e	1,073.36
Scope 2 emissions	tCO ₂ e	1,660.83
Product Carbon Intensity	t CO ₂ e / FG Metric Tonne	0.2904

3. Waste management

Sustainable Waste Management Approach

At ACL, we are committed to minimising our environmental footprint through efficient and responsible waste management practices. As part of our sustainability efforts, we have implemented streamlined procedures to ensure proper waste disposal and reduce environmental impact.

Key waste by types

• Hazardous solid waste

Hazardous Solid Waste Declaration:

Company Scope Statement: The scope of ACL Cables PLC is manufacturing and distribution of electric cables, conductors and accessories.

Within this scope, the electric cable and conductor manufacturing industry at ACL does not generate hazardous solid waste as defined by the hazardous waste schedule issued by the Central Environmental Authority (CEA). No chemical-contaminated solid waste is produced through our processes.

Furthermore, ACL has implemented effective strategies to control, reduce, reuse, and recycle the majority of its solid waste. As a result, there is no accumulation or disposal of hazardous solid waste associated with our operations.

• Non-hazardous solid waste

We collaborate with various waste management partners to repurpose, recycle, and reuse general waste from our operations. By working with certified waste collectors, we ensure responsible waste management, supporting circular economy practices and minimising landfill waste.

4. Noise Management

At ACL, we recognise the impact of industrial noise on both the environment and employee well-being. As part of our commitment to responsible operations, we have implemented stringent noise management practices to minimise disturbances within and beyond our facilities.

Key Noise Management Measures

1. Compliance with Regulatory Standards - We adhere to noise level regulations set by environmental authorities to ensure our operations remain within permissible limits.
2. Noise Monitoring and Assessment - Regular noise level assessments are conducted across our facilities to identify potential sources of excessive noise and implement corrective actions where necessary.
3. Engineering Controls - We integrate noise-reduction technologies such as soundproof barriers, vibration-dampening equipment, and enclosed machinery to minimise noise emissions.
4. Workplace Safety and Employee Protection - To safeguard employee health, we provide appropriate personal protective equipment (PPE), such as earplugs and earmuffs, and enforce designated quiet zones where necessary.
5. Training and Awareness - Employees are educated on noise management best practices, including proper equipment handling and the importance of hearing conservation.
6. Continuous Improvement - We regularly review and upgrade our noise control measures in alignment with evolving industry standards and technological advancements.

By implementing these measures, ACL ensures a safer, more sustainable working environment while minimising noise pollution's impact on surrounding communities.

The following are the details of the Company's current environmental aspects for its work stream. This work stream mainly comprises emissions, waste, noise and water.

Environmental Aspects	Impact/ Consequences	Example of measure
Water Resources Management	Waste water from manufacturing processes	Recycling and reuse cooling system with cooling towers
Energy Management	Emission from the manufacturing process	Energy monitoring systems
Waste Management	Waste materials from manufacturing processes	Recycled used PVC from manufacturing process
Noise Management	Noise generated out of machinery operations	Invest in machines with soundproof option

STAKEHOLDER ENGAGEMENT

ACL recognises stakeholder engagement as a key factor in promoting sustainability strategy and influencing how we use our resources to generate value. The engagement approach identifies stakeholders' requirements and expectations, which have a huge impact on our strategic decision-making. We prioritise input to determine our direction.

We have put in place a number of procedures to successfully fulfill stakeholder expectations and promote a good impact through our business conduct. These consist of a code of conduct for business, a system for managing the environment, efficiently organised operations for managing finances and human resources, and efficient management. By taking these steps, we

can make sure that we cater to the needs and goals of our stakeholders and that our business practices improve their quality of life. As part of its focus on sustainability and ESG management, ACL acknowledges the importance of communicating with stakeholders and adhering to their requirements.

The key stakeholder issues and management strategies are as follows.

Stakeholder	Key issues/concerns	Process of engagement	Frequency of engagement
Shareholders	Sustainability and CSR	Annual Report	Annually
	Corporate Governance and Ethics	Annual Report	Annually
	Shareholder Return/ Dividend	Interim financial statements/Annual Report	Quarterly/Annually
	Future Business Plan	Corporate disclosures/Annual Report	As and when required
Community	Needs and requirements of the society	CSR Initiatives	As and when required
	Ethical business conduct	Compliance	Continuously
	Pollution free environment	Recycling/ Effective waste management	Continuously
Government and regulatory bodies	Statutory compliances and payments	Tax Returns/Meetings	Monthly/Annually
	Corporate governance	Disclosures/Annual Report	As and when required/Annually
Customers	Product Quality	Customer visits	Regularly
	Availability	Social media	
	Affordability of the prices	Website	
	Product Innovations	Media	
Employees	Welfare activities	Employee welfare meetings	Regularly
	Fair remuneration	Performance Appraisal	Annually
	Career development	Performance Appraisal	Annually
	Occupational health and safety	Training and development	Regularly
Subsidiaries/Associates	Good relationship	Social gathering and participation/ Meetings	Regularly
	Knowledge sharing	Training and development	Regularly

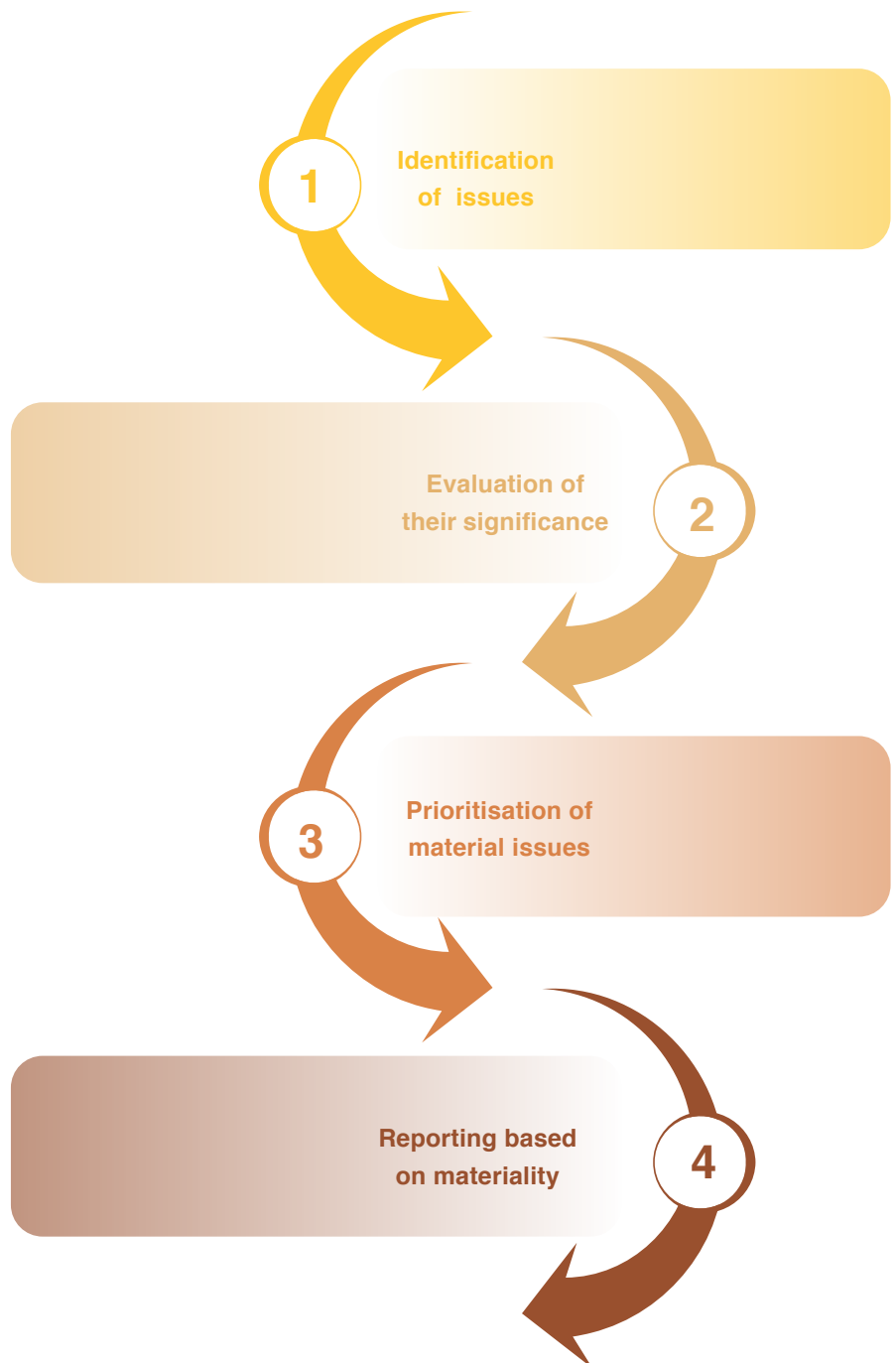
DETERMINING MATERIALITY

Material matters are crucial factors that significantly impact how our stakeholders evaluate our commitment to sustainability and their requirements. These elements are essential in shaping our strategic planning and operations, aiding us in achieving our strategic objectives. The materiality assessment process is designed to address issues based on their potential impact on our ability to generate value throughout the value chain. As the needs of our stakeholders evolve, it is imperative that our responses also adapt accordingly.

This report is our primary means of communicating the Group's actions in response to stakeholder concerns over the past financial year. It involves identifying key sustainability related risks, recognising important stakeholders, evaluating material topics for their relevance to both the Group and stakeholders, and developing management approaches to tackle these topics.

Throughout the year, we aligned emerging material matters with the subjects outlined in the GRI standards. After this alignment and reconciliation process, issues that did not directly correspond to the GRI standards were included as independent material topics. Topics of lower material significance have not been included in this report. The management approach to GRI topics deemed material to both stakeholders and the Group is presented within each relevant section.

By continually assessing and addressing sustainability-related risks and material topics, we ensure that our strategic planning remains robust and responsive to stakeholder needs. This report reflects our commitment to sustainability and transparency in our operations, demonstrating how we adapt and respond to evolving stakeholder concerns.



CHAIRMAN'S MESSAGE



The ACL Group delivered its most outstanding financial performance in its six-decade history-a resounding testament to our strategic clarity, operational excellence, and the power of a fully energised team.



On behalf of ACL Cables PLC, it is with great pride and optimism that I welcome you to our 64th Annual General Meeting. It is my honour to present our Annual Report and audited financial statements for the year ended 2025/2026-a landmark year that stands as the finest chapter in the history of ACL Cables PLC. Against a backdrop of accelerating economic momentum and surging demand across our core sectors, the ACL Group has achieved unprecedented financial milestones, reaffirming our position as Sri Lanka's premier cable manufacturer and a Group of extraordinary strength and purpose.

Economic Outlook: A Year of Exceptional Momentum

The year 2025 marked a powerful consolidation of Sri Lanka's economic recovery, with growth accelerating and business confidence reaching new heights. The nation witnessed robust GDP growth of approximately 5%, a testament to the success of structural reforms, increased foreign direct investment, and a thriving private sector.

Key highlights of Sri Lanka's economic revival include:

- Inflation stabilised at single-digit levels, supported by prudent monetary policies and improved supply chains.
- Foreign exchange reserves surged to USD 6.8 billion, fueled by record tourism earnings (USD 3.2 billion), resilient remittances (USD 8.1 billion), and export growth.
- Major infrastructure projects resumed at full pace, including infrastructure and renewable energy initiatives, driving demand across industries.

The construction sector, a critical driver of our business, expanded by 5.7%, supported by government-led urban development projects, a vibrant private real estate market, and the full resumption of large-scale construction activities that had been deferred in prior years. The Ceylon Electricity Board also significantly ramped up its infrastructure investments, driving robust demand for power and distribution

cables across the island. These twin engines-construction and CEB activity-created an extraordinary operating environment for ACL Cables, and we seized every opportunity with precision and agility.

Group Performance: Our Greatest Year Ever

The ACL Group delivered its most outstanding financial performance in its six-decade history-a resounding testament to our strategic clarity, operational excellence, and the power of a fully energised team. Key milestones include:

- Group revenue soared to Rs. 45 billion, a remarkable 21% increase over the previous year.
- Profit after tax reached Rs. 7.3 billion a record profit that reflects not only top-line growth but also the deep operational leverage embedded in our business model.

Our historic performance this year was powered by the full force of our integrated Group strategy. The resumption of construction activity across Sri Lanka unlocked pent-up demand that our teams were superbly positioned to capture. Simultaneously, the CEB's accelerated grid expansion and electrification programmes provided a sustained pipeline of high-value orders, and our ability to deliver at scale with consistent quality set us apart from the competition. Our manufacturing plants operated at peak efficiency, our supply chains were resilient, and our commercial teams executed with exceptional discipline. Above all, it is our people the ACL family whose passion and professionalism transformed opportunity into history-making results.

Gratitude: Together We Rise

A year of this magnitude is not the work of any single individual-it is the culmination of extraordinary collective effort. To our valued customers and partners, your trust and continued loyalty are the foundation upon which this success is built, and we are deeply grateful for choosing ACL as your partner of choice. We extend our heartfelt appreciation to our Board of Directors and

senior leadership, whose strategic vision and decisive guidance enabled us to capitalise fully on the opportunities that this remarkable year presented. To our shareholders, your confidence is well-placed, and we are proud to have delivered returns that reflect the true potential of this Group. To the incredible men and women of the ACL family-your dedication, hard work, and pride in what you do are the true engine of our record-breaking performance. We also gratefully acknowledge the Government of Sri Lanka, the Ceylon Electricity Board, regulatory bodies, and industry associations whose enabling frameworks and investments created the conditions for this exceptional year of growth.

The Road Ahead: Bold and Bright

As we step into 2026/2027 with great confidence and ambition, ACL Cables PLC is better positioned than ever before. The foundations we have built-our world-class manufacturing capabilities, our diversified product portfolio, our deepened customer relationships, and our talented team-give us every reason to believe that the Group will continue to grow and create lasting value. Sri Lanka's infrastructure development pipeline remains robust, CEB investments continue to expand, and construction activity shows no signs of slowing. We are ready.

Thank you for your trust, your partnership, and your shared belief in ACL Cables. This has been our greatest year-and we intend to surpass it.

Warm regards,



U.G.Madanayake
Chairman

ACL Cables PLC
31st August 2026

MANAGING DIRECTOR'S REPORT



ACL Cables delivered a performance that surpassed every record we have set before, achieving a landmark top line of Rs. 22.9 billion and a profit after tax of Rs. 3.8 billion. These are not just numbers they are a declaration of the strength, resilience, and potential of ACL Cables PLC.



Managing Director's Report

It is with the greatest sense of pride and fulfilment that I present the Annual Report for the financial year 2025/2026 of ACL Cables PLC. This has been, without question, the most extraordinary year in the history of our company. Powered by the full resumption of construction activity across Sri Lanka and the strong surge in CEB-related demand, ACL Cables delivered a performance that surpassed every record we have set before, achieving a landmark top line of Rs. 22.9 billion and a profit after tax of Rs. 3.8 billion. These are not just numbers they are a declaration of the strength, resilience, and potential of ACL Cables PLC.

An Economy Firing on All Cylinders

The year 2025 saw Sri Lanka's economic recovery move into a higher gear, with GDP growth accelerating, business confidence strengthening, and investment flows picking up meaningfully. Inflation remained well within single-digit territory, the exchange rate held steady, and foreign exchange reserves continued their upward trajectory all creating a stable and predictable operating environment for industry.

The government's sustained focus on infrastructure development, renewable energy, and urban expansion translated into tangible demand on the ground. For ACL Cables, this macroeconomic environment was not merely a backdrop it was an active driver of growth, as public and private sector project pipelines converted into real orders at a pace we had not seen before.

Construction and CEB: Twin Engines of Record Growth

The construction industry, a vital driver of our business, experienced its strongest year in recent memory during 2025/2026, driven by powerful government and private sector investment. After years of constrained activity, the sector's contribution to GDP surged, reaching over 5.7%, as previously stalled projects accelerated to completion and a new wave of infrastructure initiatives broke ground.

Key factors fuelling this exceptional year for construction include:

- A surge in private real estate developments, driven by pent-up housing demand and attractive financing options.
- A Construction PMI consistently above the 50-point threshold, signalling robust and broad-based expansion across all sub-sectors.

Equally significant was the Ceylon Electricity Board's ambitious acceleration of its grid expansion and rural electrification programmes during the year. CEB procurement of medium and high voltage power cables reached unprecedented levels, and ACL Cables with its proven track record of quality and timely delivery was the supplier of choice. The combination of booming construction and surging CEB demand created the most favourable operating environment in our company's history, and our teams rose to the occasion magnificently.

ACL Cables: Delivering at Scale, Leading with Excellence

In FY 2025/2026, ACL Cables PLC not only reinforced its leadership in Sri Lanka's cable manufacturing industry but elevated it to a new level entirely. Our fully integrated manufacturing facilities operated at peak capacity throughout the year, a testament to the investments we have made in plant, people, and processes. Our extensive distribution network ensured that our customers across every segment and geographically received the right products at the right time, even as demand reached record levels.

Industry Recognition & Awards:

Our performance and values were recognised with prestigious accolades, including:

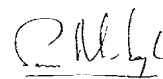
- National Chamber of Commerce of Sri Lanka (NCCSL) Business Excellence awards 2026 - Gold winner Construction Sector Extra Large Category - A premier annual event established to recognise top performing enterprises that drive national economic progress.

Gratitude & Acknowledgments

A performance of this magnitude is built on the shoulders of many. To our customers and business partners, your confidence in ACL Cables is what drives us to deliver more, better, and faster thank you for choosing us, year after year. My sincere gratitude goes to our Chairman and the Board of Directors for their visionary leadership and the strategic clarity that guided us through this exceptional year. To our shareholders, this record performance reflects the strength of the business you have supported, and we remain resolutely committed to growing that value further. To our suppliers, your reliability and partnership were critical during a year of unprecedented demand, and we deeply appreciate your support. Above all, I want to express my profound appreciation to every member of the ACL Cables team. It is your commitment, your expertise, and your sheer determination that turned the opportunities of this year into history-making results. This record belongs to you.

As we look to 2026/2027, the momentum is firmly with us. The infrastructure pipeline remains full, CEB investments continue to grow, and our team is energised and ready. The best chapter of ACL Cables may well still be ahead. Thank you for your trust, your partnership, and your belief in what we are building together.

Warm regards,



H A S Madanayake
Managing Director

ACL Cables PLC
31st August 2026

BOARD OF DIRECTORS



Left to right:

Dr. Sivakumar Selliah - Director, Emeritus Professor Malik Ranasinghe - Senior Independent Non-Executive Director, Mr. Nissanka B Weerasekera - Director, Mr. U. G. Madanayake - Chairman, Mr. Suren Madanayake - Managing Director, Mr. Rajiv Casie Chitty - Director, Mrs. N C Madanayake - Director, Mr. Daya Wahalantantiri - Director, Mr. Kusal Jayawardana - Director/ Group Chief Executive Officer

MR. U. G. MADANAYAKE

Chairman/ Executive Director

Mr. U.G. Madanayake had his early education at Ananda College, Colombo. He graduated from the University of Cambridge – England in 1958, and had his M.A. (Cantab) conferred on him in 1962. He is a Barrister-at-law (Lincoln's Inn) and an Attorney-at-law of the Supreme Court of Sri Lanka. He started his working life managing family-owned plantations until most of the lands were taken over by the State under the Land Reform Law of 1972. He still continues to have an active interest in agriculture.

He joined the Board of Associated Motorways Ltd, and subsequently became the Deputy Chairman of the Company. He became a Director of ACL Cables PLC (then Associated Cables Ltd.) in January 1963, its Managing Director in July 1978 and Chairman cum Managing Director in May 1990. He relinquished his duties as Managing Director in September 2005 after appointing Mr. Suren Madanayake as Managing Director. With the acquisition of Kelani Cables PLC, by the ACL Group in October 1999, he was appointed as Chairman of Kelani Cables PLC.

Mr. U.G Madanayake is also the Chairman of Fab Foods (Pvt) Ltd., Ceylon Tapioca Ltd., ACL Plastics PLC and Lanka Olex Cables (Pvt.) Ltd. He is also a Director of ACL Metals & Alloys (Pvt.) Ltd., ACL Polymers (Pvt) Ltd., Ceylon Copper (Pvt.) Ltd., ACL Kelani Magnet Wire (Pvt) Ltd., Ceylon Bulbs & Electricals Ltd., ACL Electric (Pvt.) Ltd. and Cable Solutions PLC. He has over 50 years' experience in the cable industry.

MR. SUREN MADANAYAKE

Managing Director/ Executive Director

Mr. Suren Madanayake had his education at Royal College, Colombo and qualified as a Mechanical Engineer from the University of Texas at Austin, USA. He was appointed to the Board of ACL Cables PLC in June 1991 and appointed as Managing Director in September 2005. When Kelani Cables PLC was acquired in October 1999, he was appointed as Managing Director of Kelani Cables PLC and Lanka Olex Cables (Private) Ltd which is the holding Company of Kelani Cables PLC. In 2003 he was appointed as Deputy Chairman of Kelani Cables PLC.

He also serves as the Chairman of Resus Energy PLC and Cable Solutions PLC, Managing Director of ACL Plastics PLC and Director of ACL Electric (Pvt) Ltd., Ceylon Bulbs & Electricals Ltd., ACL Metals & Alloys (Pvt.) Ltd., ACL Polymers (Pvt.) Ltd., ACL-Kelani Magnet Wire (Pvt) Ltd., Ceylon Copper (Pvt.) Ltd., SM Lighting (Pvt) Ltd., Fab Foods (Pvt.) Ltd., Ceylon Tapioca Ltd., Destination Ceylon (Pvt.) Ltd., Ethimale Plantation Pvt Ltd, CT Land Development PLC. He also serves as Trustee of CCC Foundation of Sri Lanka. He captained the Royal College 1st XV Rugby team in 1987.

MRS. N. C. MADANAYAKE

Non-Independent Non-Executive Director

Mrs. N.C. Madanayake was appointed to the Board of ACL Cables PLC in July 1980. She is also a Director of Kelani Cables PLC, ACL Plastics PLC, Ceylon Bulbs & Electricals Ltd., Lanka Olex Cables (Pvt) Ltd. and Ceylon Tapioca Ltd. Mrs. N.C. Madanayake is a pioneering Director of Fab Foods (Pvt) Ltd.

MR. DAYA WAHALATANTIRI

Executive Director

Mr. Daya Wahalatantiri had his early education at Holy Cross College, Kalutara and Royal College, Colombo. He is a Graduate in Chemistry (Special) from the University of Ceylon, Peradeniya. In 1990, he obtained his Masters in Business Administration from the University of Sri Jayewardenepura. Having gained sufficient exposure in marketing of industrial products to institutional customers, he joined ACL Cables PLC as its first Marketing Manager in 1982. In 1999, with the acquisition of Kelani Cables PLC, he was promoted as the Group Marketing Manager. He was appointed to the Board of Directors of ACL Cables PLC in November 2005. He also serves as a Director of Cable Solutions PLC.

MR. RAJIV CASIE CHITTY

Non-Independent Non-Executive Director

Mr. Casie Chitty who holds a Master in Economics, University of Colombo and a Master in Computer Science from the University of Staffordshire, UK, is also a Fellow of the Association of Chartered Certified Accountants (ACCA) UK, an Associate Member of the Chartered Institute of Management Accountants (CIMA) UK, and is a Chartered Financial Analyst, USA. He is a Past President of the Association of Chartered Certified Accountants (ACCA) Sri Lanka Branch.

Mr. Casie Chitty was appointed as a Director of ACL Cables PLC in November 2005. He is presently the Chief Operating Officer of Commercial Credit & Finance PLC and Non-Executive Independent Director of Tangerine Beach Hotels PLC. Mr. Casie Chitty presently serves on the Boards of Royal Palms Beach Hotels PLC, BG Marine Investment Pvt Ltd, Merc Marine Management (Pvt) Ltd, Ceyline Holdings (Pvt) Ltd, CMA CGMA Lanka (Pvt) Ltd, Mercantile Seamen Training Institute (Pvt) Ltd, CINEC Campus (Pvt) Ltd and Lakdhanavi (Pvt) Ltd.

BOARD OF DIRECTORS

DR. SIVAKUMAR SELLIAH

(MBBS, M.Phil)

Non-Independent Non-Executive Director

Dr. Selliah holds an MBBS degree and a Master's Degree (M.Phil) and has over two decades of diverse and extensive experience in serving on the Boards related to varied fields including Manufacturing, Healthcare, Insurance, Banking, Logistics, Packaging, Renewable Power, Plantation, Retail etc. He currently serves on the Boards of many Public listed and Private companies. He has extensive experience on serving on Board sub committees as Chairman or Member which include, Human Resource and Remuneration committee, Investment committee, Strategic Planning committee, Related Party Transactions Review committee, Nominations and Governance committee, Audit committee, Risk Management committee etc.

Dr.Selliah serves in a non-executive capacity in the following company boards given below. Dr. Selliah is the Chairman of JAT Holdings PLC. He is currently serving as a Director in the following companies given below: Commercial Bank of Ceylon PLC, Lanka Tiles PLC, Lanka Walltiles PLC, ACL Cables PLC, Swisstek (Ceylon) PLC, Arunodhaya Private Ltd, Arunodhaya Industries Pvt Ltd. He is also the Chairman of Cleanco Lanka Private Ltd and Vydexa Lanka Power Corporation Pvt Ltd and Andysel Private Ltd. He also is a Director of Arunodhaya Investments Pvt Ltd. He has also served on many other Listed company Boards in the past.

Dr. Selliah has served as a Senior Lecturer in the Faculty of Medicine, University of Kelaniya for many years in the past and served on several committees. He has also been Head of the Department of Physiology for many years during this period at the Faculty. He has also served as a Member of the University Council at the University of Colombo in the past.

MR. KUSAL JAYAWARDANA

Director / Group Chief Executive Officer - CFA, MBA, ACMA, CGMA

Mr. Kusal Jayawardana is the Director/ Group Chief Executive Officer of ACL Cables PLC, appointed in April 2026. He is a senior business leader with 29 years of experience, including over 17 years at board and C-suite level, with exposure across investment banking, financial services, manufacturing, venture capital, private equity and energy.

He is a Chartered Financial Analyst and holds an MBA. He is also an Associate Member of the Chartered Institute of Management Accountants, UK, and is presently reading for a Doctoral Programme at the University of Colombo.

Prior to joining ACL Cables PLC, Mr. Jayawardana served as Deputy Managing Director of Alliance Finance Co PLC. He also held several senior positions within the NDB Group, including Managing Director/ CEO of NDB Capital Limited, Bangladesh and Chief Operating Officer of NDB Capital Holdings PLC.

He has extensive experience in corporate strategy, business transformation, capital markets, mergers and acquisitions, cross-border transactions, corporate governance, risk management and institutional development. He has raised over USD 1 billion through debt and equity instruments for corporates in Sri Lanka and Bangladesh and has been involved in several landmark capital market transactions.

Mr. Jayawardana currently serves as Chairman/Independent Director of Lanka Ventures PLC and LVL Energy Fund PLC, Independent Director of HNB Securities Limited, and Director of Cable Solutions PLC. He has previously served on the boards of National Savings Bank, Resus Energy PLC, Panasian Power PLC, NDB Capital Limited Bangladesh and Lanka Communication Services (Pvt) Limited. He is also a Co-Founder/Director of Serendib Frontier Capital (Private) Limited, boutique corporate finance advisory firm.

EMERITUS PROFESSOR MALIK RANASINGHE

B.Sc.Eng. Hons (UoM), M.A.Sc(UBC), Ph.D(UBC), D.Sc (Honoris Causa) CEng, Fellow, IESL, Fellow, NASSL, Fellow, IPMSL, Graduate Member SLID

Senior Independent Non-Executive Director

Professor Malik Ranasinghe is an Emeritus Professor at the University of Moratuwa (UoM) and the President of the National Academy of Sciences Sri Lanka. He is a Chartered Engineer and Fellow of the Institution of Engineers, Sri Lanka, Fellow of the National Academy of Sciences, Sri Lanka, Fellow of the Institute of Project Managers, Sri Lanka and Graduate Member of Sri Lanka Institute of Directors. He is an independent non- executive Director of Pan Asia Bank PLC and ACL Cables PLC.

Prof. Ranasinghe earned a BSc Eng (Hons) in Civil Engineering from the University of Moratuwa in 1984, followed by an MASc in 1987 and a PhD in 1990 from the University of British Columbia, Vancouver, Canada, specialising in Civil Engineering Economics as a Canadian Commonwealth Scholar. He was awarded a DSc (Honoris Causa) by the University of Moratuwa, Sri Lanka.

Prof. Ranasinghe is the former Vice Chancellor of the University of Moratuwa, and former Chairman of the Information and Communication Technology Agency (ICTA) of Sri Lanka. He is former Chairman of the Committee of Vice-Chancellors and Directors of Sri Lanka, former Commission Member of the University Grants Commission, former Council Member of the National Research Council, former Council Member of the Association of Commonwealth Universities (ACU), former Dean of the Faculty of Engineering, former Head, Department of Civil Engineering, and former Chairman, Centre of Excellence in Project Management at the University of Moratuwa. He is a former Fellow of the National University of Singapore.

Prof. Ranasinghe is a former Chairman of Sampath Bank PLC and former independent non-executive Director of the Colombo Stock Exchange, Lanka IOC PLC, Hemas Power PLC, Sampath Bank PLC, Teejay Lanka PLC, United Motors Lanka PLC, Access Engineering PLC, and Resus Energy PLC.

MR. NISSANKA B. WEERASEKERA**Independent Non-Executive Director**

Mr. Nissanka B. Weerasekera served as the Regional Managing Partner for Central and South Asia of Aureos Capital, a leading international Private Equity (PE) fund manager focusing on small and mid-cap enterprises in emerging markets worldwide from 2003 until the acquisition of Aureos Capital by the Abraaj Group in 2012. He also functioned as the Group Operations Director of Aureos Capital while serving on the Board of Directors of the parent company of Aureos in the United Kingdom. After the acquisition of Aureos, he served as the Managing Director for Sri Lanka and Bangladesh of the Abraaj Group until his retirement in 2017. Nissanka started his PE career in the mid-1990s as the CEO of the pioneer Sri Lankan Venture Capital (VC) firm PVIC and subsequently as the Managing Director of Next ventures, a VC firm spun off from PVIC. He has served as the nominee director of numerous investee companies of the aforementioned PE and VC firms including among others, MillenniumIT, Interblocks, ConceptNursery, TextCentric, e-Channelling, Richlife Dairies, Dutch Lanka Trailers, Asiri Central Hospital, and Apollo Hospital Dhaka.

In addition, he has served as an Independent Non-Executive Director of several public listed companies in Sri Lanka including among others, Dipped Products PLC, John Keells Hotels PLC, Sunshine Holdings PLC and Watawala Plantations PLC. He currently serves as an Independent Non-Executive Director of TAL Lanka Hotels PLC, Lanka Ventures PLC and LVL Energy Fund PLC. He is also a Director of The Children's Heart Project of Sri Lanka.

He is a past-President of the Venture Capital Association of Sri Lanka, a past-Editor of the Sri Lanka Association of Economists and a past-Trustee of the National Trust of Sri Lanka. He is a Fellow Member of the Chartered Institute of Management Accountants (FCMA), has an MA in Economics from the University of Colombo and a BSc (Hons) in Physics from the University of Peradeniya.

MANAGEMENT TEAM



Mahesh Amarasiri
Group Chief Financial Officer



Rohitha Amarasekara
General Manager Operation



Lakshman Bandaranayake
General Manager Marketing



Ishan Dabare
Deputy General Manager - Project Sales



Senila Rupasingha
Deputy General Manager - Supply Chain



S M Welihinda
Deputy General Manager - Aluminium Cable and Rod Plant



A D A Chinthaka
Deputy General Manager, Copper Cable & Ceylon Copper Plant



Sohan de Silva
Chief Information Officer



Chathuranga Sampath
Group Head of Risk & Control



R Nandakumara
Engineering Manager (Mechanical)



Prakash Hewamadduma
Engineering Manager (Electrical & Electronics)



Iran Lokukatagoda
Security Manager



Deepthi Bandara
Head of Sales



Ashoka Padmakumara
Head of Sales



Sujeewa Sampath
Manager Finance & Operations



Saman Liyanage
Manager Operation



Sarath Lokuhitige
Sales Manager Power and Energy Sector



Arunajith Perera
Electrical Engineer Head of Technical Services and R&D



Sarath Padmadewa
Manager Human Resources



Supun Sisihara
Manager Logistic



Amali Fonseka
Manager Credit Control



Asela Jayatillaka
Senior Manager Finance



R S Nadeeshani
Quality Assurance Manager



Hiran Wijerathna
Business Development Manager



Nayanajith Perera
Production Manager, Dealer Range & Flexible Factory



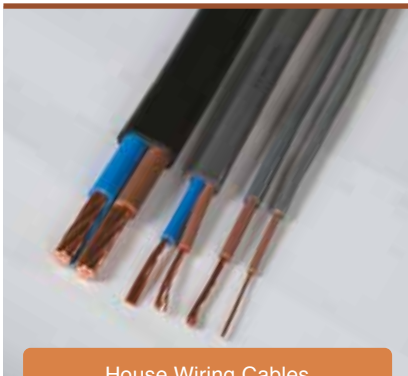
Thisara Maduranga
Brand Manager

PRODUCT PORTFOLIO

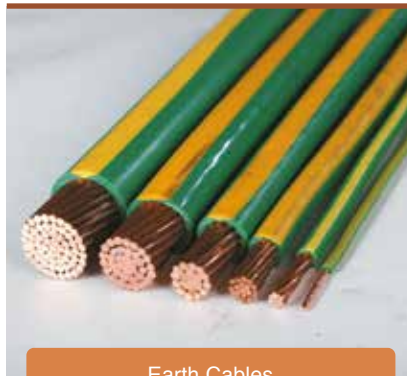
ACL CABLES COMPLIES WITH MOST LOCAL AND INTERNATIONAL TEST CERTIFICATES INCLUDING ISO 9001; 2015 AND ISO 14001 ENVIRONMENTAL MANAGEMENT SYSTEM CERTIFICATE.

CABLES

ACL Cables evolved as the No. 1 cable company in Sri Lanka since inception in 1962. During its 64 year operation the Company has grown to become a specialised manufacturer and supplier of an extensive range of cables and conductors with superior quality and standard unmatched by any other in the island. Excelling through advanced technology, quality control and continuous research and development, ACL Cables produces over 250 cables across 20 categories. ACL continued to expand its sector through innovation and dominate the market with the introduction of new products and many industry firsts. ACL cables complies with most local and international test certificates including ISO 9001; 2015 and ISO 14001 Environmental Management System certificate.



House Wiring Cables



Earth Cables



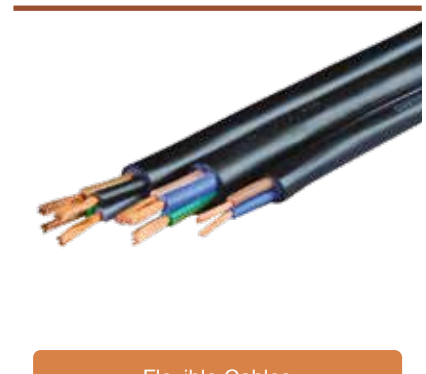
Telecommunication Cables



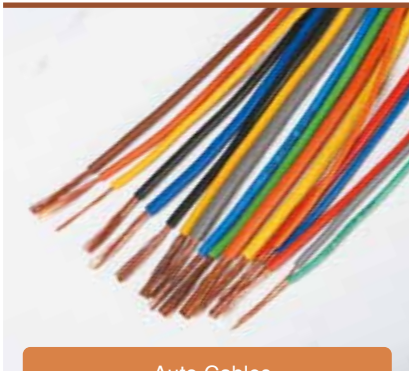
Fire Resistance Circuit Integrity
Power Cables



33KV Covered Conductors



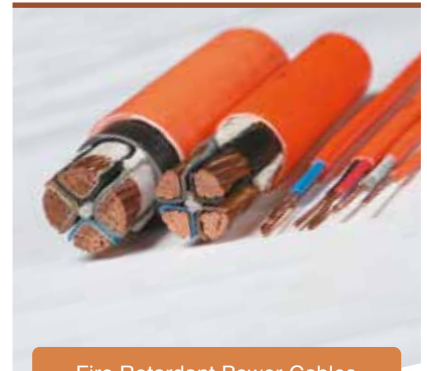
Flexible Cables



Auto Cables



Low Voltage – Aerial Bundled Cables



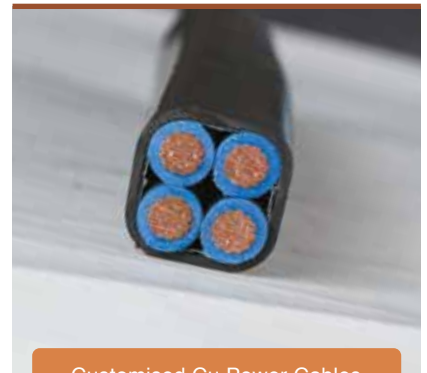
Fire Retardant Power Cables



ACSR & AAAC Conductors



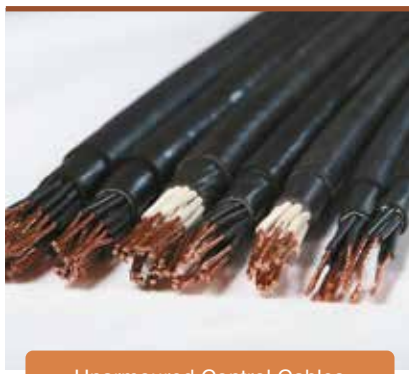
All Aluminium Conductors



Customised Cu Power Cables



Multi - Core Al Power Cables with Cu Wire Screen



Unarmoured Control Cables

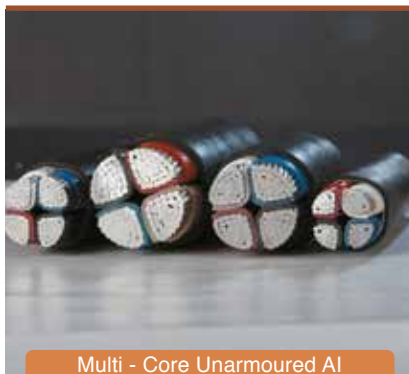


Three Phase Cu Concentric Cable

PRODUCT PORTFOLIO



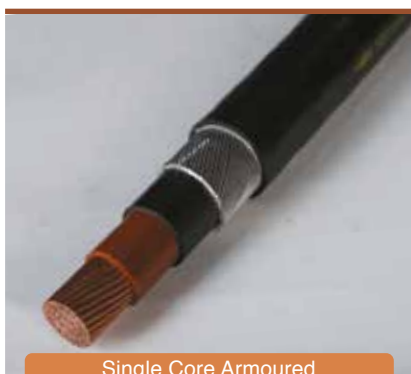
Single Core Unarmoured
Cu Power Cables



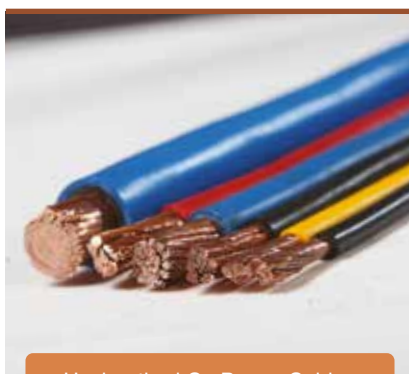
Multi - Core Unarmoured Al
Power Cables



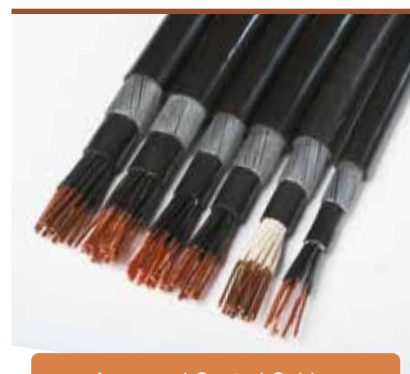
Multi - Core Armoured
Cu Power Cables



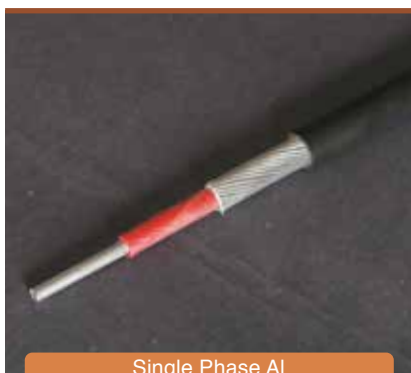
Single Core Armoured
Cu Power Cable



Unsheathed Cu Power Cables



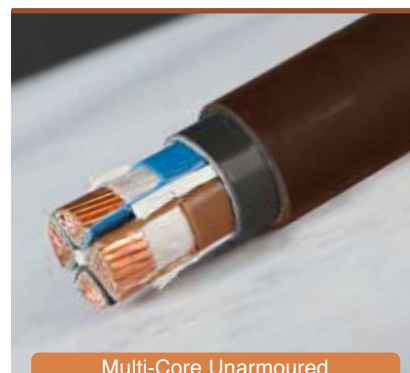
Armoured Control Cables



Single Phase Al
Concentric Cable



ACL SAX AMO 33kV
Covered Conductor



Multi-Core Unarmoured
Cu Power Cables



PVC Insulated PVC Sheathed Flame
Retardant Cables for 300/500 V
Power and Lighting



Total Solution for Medium Voltage
Covered Conductors

ELECTRIC

Commencing its operation in 2014, ACL Electric was formed to market high quality electrical switches, sockets and accessories. This complied with the Company objective to move ACL Cables PLC to strengthen its value chain and to become a comprehensive one-stop shop for electrical requirements.

The advertisement is set against a dark, textured background. At the top, the ACL logo (a yellow circle with three black curved lines) is followed by the word "ACL" in large, bold, white letters. Below this, the word "elegance" is written in a white, lowercase, sans-serif font. Underneath "elegance", the phrase "In *style* Forever" is written, with "style" in a yellow cursive font. In the center, a woman with long dark hair, wearing a bright yellow strapless gown that flows around her, stands with one arm extended. Below her, two white electrical products are displayed: a square switch on the left and a rectangular socket with a switch on the right. Both have the "ACL" logo at the bottom. Below these, a horizontal bar contains the text "Available in" above three smaller images of the same products in different finishes: "Matt Black", "Bronze", and "Grey". At the bottom of the advertisement, the website "www.acl.lk" is on the left and "LIFETIME WARRANTY" is on the right, both in white capital letters.

PRODUCT PORTFOLIO



One Gang One Way Switch



One Gang Two Way Switch



Two Gang One Way Switch



Three Gang One Way Switch



Four Gang One Way Switch



20A Double Pole Switch



One Gang Bell Press Switch



Data Socket Outlet



Fan Speed Controller



Light Dimmer



Blank Plate



TV Socket Outlet



13A Switched Socket Outlet



13A Switched Socket Outlet with Neon



Telephone Socket Outlet

NEW ELEGANCE RANGE



Motion Sensor



13A Switch Socket Outlet with 2.2A USB Charger



Key Card Switch



Double Pole Cooker Switch

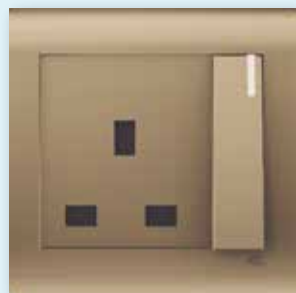


Shaver Socket

ACL ELEGANCE COLOUR RANGE



HD Black



HD Bronze



HD Gray

PRODUCT PORTFOLIO



One Gang One Way Switch



Two Gang One Way Switch



Three Gang One Way Switch



Four Gang One Way Switch



Five Gang One Way Switch



13A Switched Socket



13A Switched Socket with Neon



Blank Plate



Bell Press (20A, AC 250V)



Telephone Socket (4Wire, RJ11)



TV Outlet (750hm, co-axial)



Light Dimmer (500W)



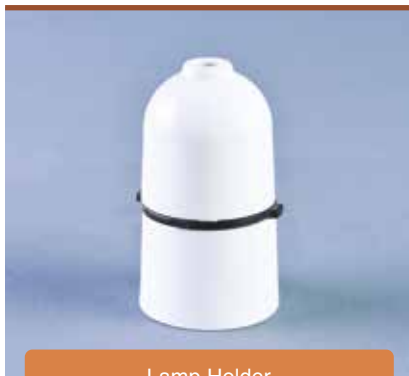
Double Pole (20A, AC 250V)



Data Socket



Ceiling Rose



Lamp Holder



13A Plug Top



LED Indicating Light Green MCB Single Pole



LED Indicating Light Red MCB Single Pole



LED Indicating Light Blue MCB Single Pole



Circuit Breaker (MCB) Single Pole



LED Indicating Light Yellow MCB Single Pole



Main Switch (Isolator) Double Pole



Trip Switch (RCD) Double Pole

PRODUCT PORTFOLIO



Mercury Isolator



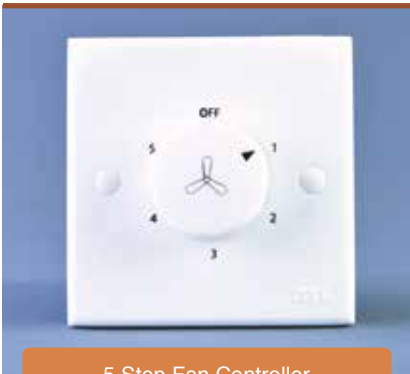
Mercury MCB



Mercury RCD



USB Charger 5V 2.5A



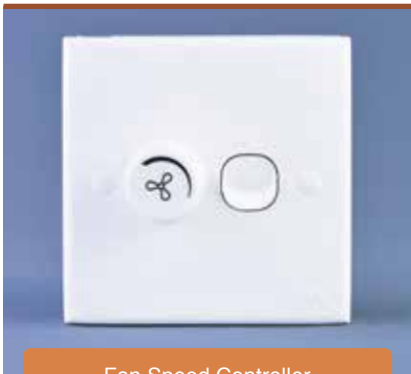
5 Step Fan Controller



Bell For MCB

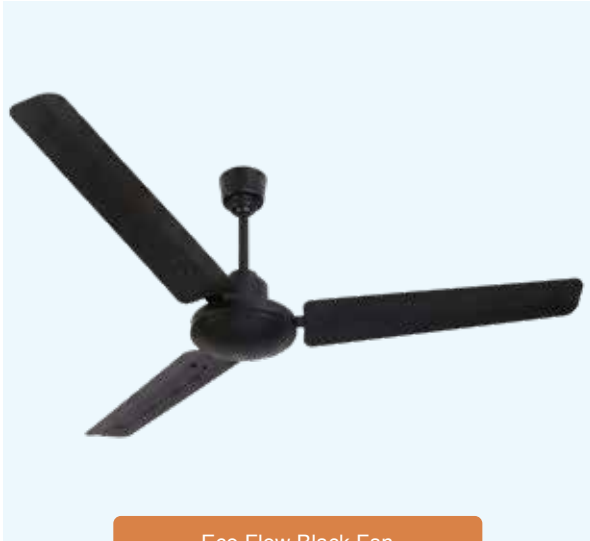


13A Twin Socket

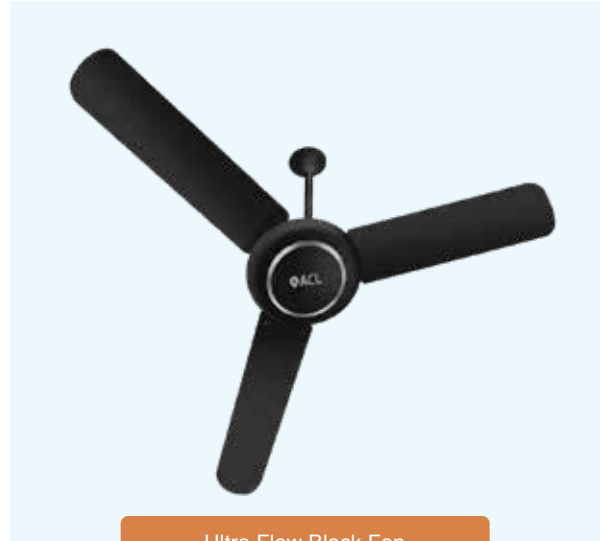


Fan Speed Controller

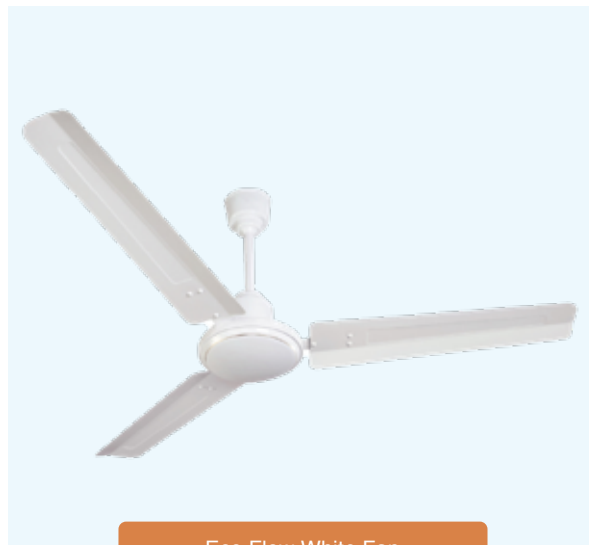
CEILING FAN



Eco Flow Black Fan



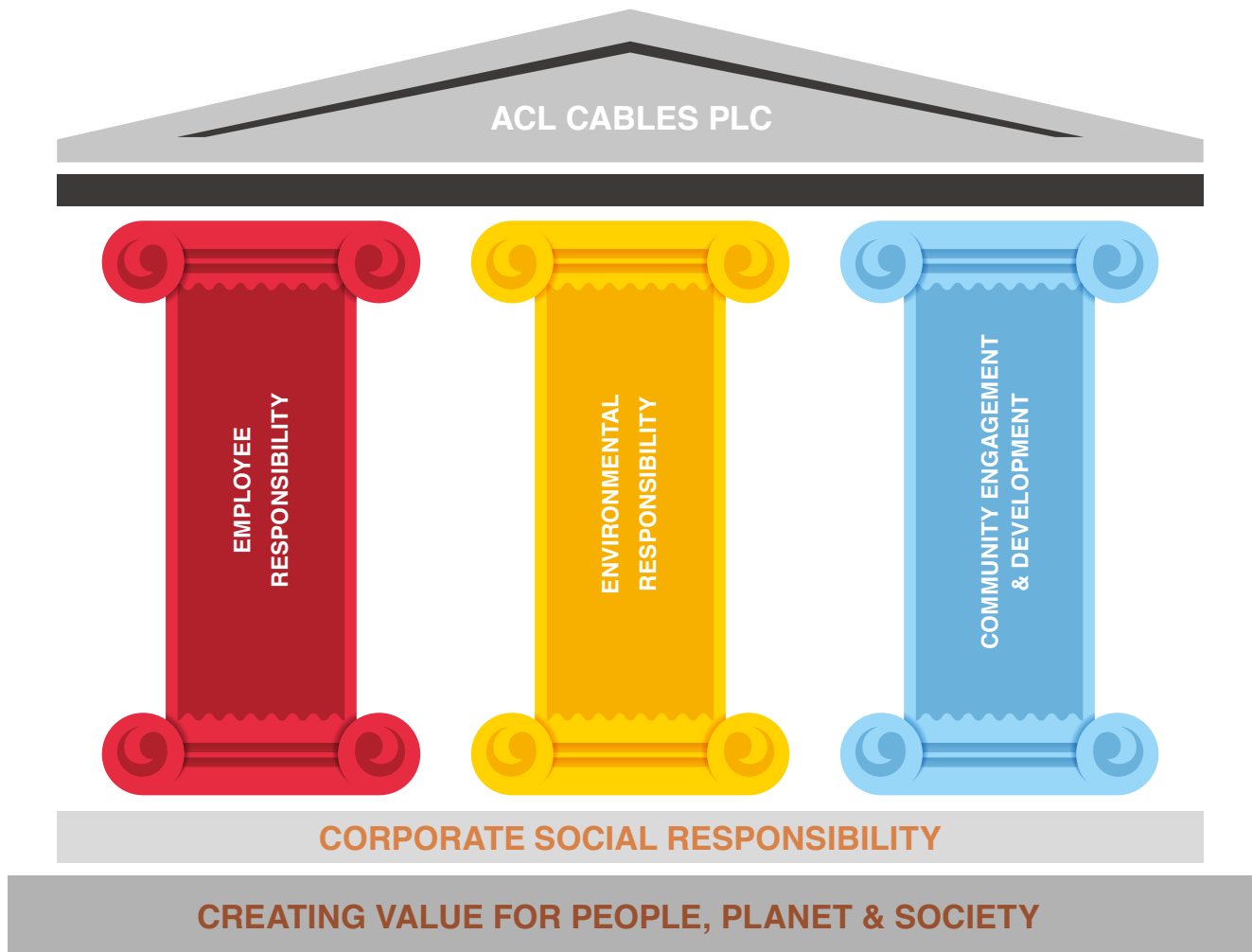
Ultra Flow Black Fan



Eco Flow White Fan

CORPORATE SOCIAL RESPONSIBILITY AT ACL CABLES

THE THREE-PILLAR CSR MODEL AT ACL



ENVIRONMENTAL RESPONSIBILITY

The Group is determined to reduce its operations' environmental footprint, and our approach is consistent with that of the parent entity, which provides clear guidelines on tracking, monitoring, and optimising the use of natural resources to ensure a positive contribution to our environment and ecosystems in a holistic and consistent manner. National environmental certifications such as (ISO 14001:2015) further guide our environmental strategy.

The most significant activity in environmental responsibility is the disposal of scrap stocks at our factories. The plastic scrap, which is not used for manufacturing

of cables, is handed over for proper recycling under national standards. The same principle is applied to every industrial by-product and we make sure that we do not contaminate our environment with our industrial produce. Further, we are a shareholder of a major hydro power company in Sri Lanka named Resus Energy PLC, contributing ourselves to become a 'Green Company' and the only of this kind by a company operating in our industry. The total installed capacity of rooftop solar in our group companies is 4.5 MW. This significant expansion underscores our commitment to embracing cleaner and greener energy solutions.

COMMUNITY ENGAGEMENT AND DEVELOPMENT

A Safe and Healthy Work Environment:

Considering the work tasks our employees undergo especially at our factories we insure over 500 employees through a corporate medical insurance scheme for all of them. ACL also has a special reward scheme for the children of our employees as well. This is in recognition for those who gained best results at their Grade 5 scholarship, GCE Ordinary Level and GCE Advanced Level examinations. This special reward scheme is named "Nana Thilina" and conducted under full supervision and guidance of the Human Resource Division at ACL.



The Electricians Loyalty Club at ACL facilitates the requirement of sharing up- to-date knowledge of the Company as well as the industry. A series of educational seminars for electricians and vocational training students at their respective centers were conducted for the purpose of improving their knowledge.



The Annual charity programme was conducted for a medical monastery, named “Sheela Suva Arana” situated in Horana, established to treat monks. An alms giving was organised by the contribution of employees for the monks in the monastery.

Furthermore, the loyalty club provides a personal accident insurance cover for all registered electricians. Considering the level of risk involved in their jobs this insurance is provided to protect and as a scheme to secure their lives. This provides a life insurance cover of Rs. 1.2 million along with many more benefits for the goodwill of electricians.



ACL Cables PLC conducted a Blood Donation Program at its Head Office, with enthusiastic participation from employees. The initiative contributed to strengthening the national blood supply while fostering a culture of compassion, social responsibility, and community service among staff.



A Free Eye Clinic was organised to promote employee health and well-being by providing comprehensive eye examinations and access to corrective eyewear. This initiative reflects ACL's ongoing commitment to safeguarding the health and welfare of its workforce.



Employees actively participated in a Tree Planting Project, contributing to environmental conservation and enhancing green spaces. The initiative reflects ACL's commitment to promoting biodiversity and fostering sustainable environmental practices. Also a Jasmine Planting Project was carried out across the company premises to enrich the landscape and reinforce environmental stewardship. Through this initiative, employees contributed to creating a greener workplace while supporting ACL's broader sustainability objectives.



AWARDS & CERTIFICATIONS



01 Won the Gold award in Extra Large Category of Electronic and Electric product sector and Certificate of Ethical Trading at the NCE Export awards 2024

02 Gold award in Extra Large Category of Electronic and Electric product sector - NCE Export Awards 2023 Certificate of Ethical Trading - NCE Export awards 2023

03 CA TAGS AWARDS 2023 - Construction Sector Bronze award

04 CA TAGS AWARDS 2022 Compliance Awards Under Manufacturing Sector (Group Turnover Above Rs.10 Bn)

05 Business Today Top 40

06 Long Horn 100 Awards 2023

07 Crystal Award 2009 Award for the Winner of the Gold Awards over three consecutive years by the Ceylon National Chamber of Industries.

08 Asia Pacific Quality Award 2008 - Won the highest award, beating participants from 46 countries, and ACL was recognised as a world-class company.

09 National Productivity Awards -1st Place in 2007 organised by the National Productivity Secretariat.

10 National Quality Award Winner 2007

11 Global Commerce Excellence Awards 2014

12 B2B Brand of the Year at SLIM Brand Excellence 2015 - Gold

13 Master Brand Status 2017

14 B2B Brand of the year at SLIM Brand Excellence 2018 - Silver

15 Silver Award in the Large Scale of the Manufacturing sector - SD Excellence Award

16 Bronze Award in Manufacturing Large Metal industry category at National Cleaner Production Award 2019.



Certification	Description
ISO 9001 : 2015	Quality Management System
ISO 14001: 2015	Environment Management System
SLS 733 - Part 01	"ACL" Brand PVC Insulated and PVC Sheathed Cables
SLS 733 - Part 02	"ACL flame Retardant" Brand FR PVC insulated and FR PVC sheathed Cables
SLS 1504 -2-11	"ACL" Brand Flexible Cables with Thermoplastic PVC Insulation
SLS 1504 -2-31	"ACL" Brand Single Core Non-sheathed Cables with Thermoplastic PVC Insulation
SLS 1504 -3-31	"ACL" Brand Single Core Non-sheathed Cables with Halogen Free Thermoplastics insulation, and low emission of smoke.
SLS 1186	"ACL" Brand Armoured Electric Cables having Thermosetting XLPE insulation

GROUP STRUCTURE

Description / Company	ACL Cables PLC	Kelani Cables PLC	ACL Plastics PLC	Ceylon Bulbs & Electricals Ltd	Lanka Olex Cables (Pvt) Ltd	
Registration Number	PQ 102	PQ 117	PQ 87	PB 1283	PV 20493	
Date of Incorporation	10.03.1962	27.01.1969	17.07.1991	16.10.1957	22.02.1993	
Corporate Status	Public Limited Company	Public Limited Company	Public Limited Company	Limited Company	Private Limited Company	
ACL Cables PLC's Effective Shareholding in the Company	Parent Company	79.28%	65.21%	95.30%	100%	
Directors	U. G. Madanayake - Chairman	U. G. Madanayake - Chairman	U.G.Madanayake - Chairman	U.G.Madanayake - Director	U.G.Madanayake - Chairman	
	Suren Madanayake - Managing Director	Suren Madanayake - Deputy Chairman	Suren Madanayake - Managing Director	Suren Madanayake - Director	Suren Madanayake - Managing Director	
	Mrs. N. C. Madanayake - Director	Mrs. N. C. Madanayake - Director	Mrs. N. C. Madanayake - Director	Mrs. N. C. Madanayake - Director	Mrs. N. C. Madanayake - Director	
	Daya Wahalantantiri - Director	Deepal Sooriyaarachchi - Director	Mohan Rathnayake - Senior Independent Non-Executive Director			
	Rajiv Casie Chitty - Director	Yudhishtiran Kanagasabai - Director	Rohan Somawansa - Director			
	Dr Sivakumar Selliah - Director					
	Prof. Malik Ranasinghe - Senior Independent Non Executive Director					
	Kusal Jayawardana - Director/Group Chief Executive Officer					
	Nissanka Weerasekera - Director					
	Esala Weerakoon - Director (w.e.f 30.06.2026)					
Principal Activity	Manufacturing and Selling of Power Cables & Conductors, Armored Cables, Aerial Bundled Cables, Control Cables, Telephone Cables & Auto Cables	Manufacturing and selling of Power Cables, Telecommunication Cables & Enameled Winding Wires	Manufacturing Cable grade PVC Compound	Dormant	Investing Company	
Auditors	Deloitte Partners Chartered Accountants	KPMG Chartered Accountants	Deloitte Partners Chartered Accountants	A. I. Macan Marker & Co. Chartered Accountants	Deloitte Partners Chartered Accountants	
Secretaries	Corporate Affairs (Pvt) Ltd	Corporate Affairs (Pvt) Ltd	Corporate Affairs (Pvt) Ltd	Corporate Affairs (Pvt) Ltd	Corporate Affairs (Pvt) Ltd	
Total Number of Employees as at 31st March 2026	677	522	50	None	None	

	ACL Kelani Magnet Wire (Pvt) Ltd	ACL Polymers (Pvt) Ltd	ACL Metals & Alloys (Pvt) Ltd	Ceylon Copper (Pvt) Ltd	ACL Electric (Pvt) Ltd	Cable Solutions PLC	RESUS Energy PLC
	PV 11996	PV 3371	PV 3811	PV 79466	PV 89241	PQ 00286030	PV415PBPQ
	29.06.2000	06.09.2005	05.09.2005	17.06.2011	08.11.2012	25.02.2008	11.06.2003
	Private Limited Company	Private Limited Company	Private Limited Company	Private Limited Company	Private Limited Company	Public Limited Company	Public Limited Company
	93.79%	65.20%	100%	100%	100%	51.00%	32.52%
	U. G. Madanayake - Director	U. G. Madanayake - Director	U. G. Madanayake - Director	U. G. Madanayake - Director	U. G. Madanayake - Director	Suren Madanayake - Chairman	Suren Madanayake - Chairman
	Suren Madanayake - Director	Suren Madanayake - Director	Suren Madanayake - Director	Suren Madanayake - Director	Suren Madanayake - Director	U. G. Madanayake - Director	Krishantha Nanayakkara - Director
	Mrs. Maya Weerapura - Director					Daya Wahalantantiri - Director	Ms D C Abeywardena - Director
						Ms. D.C. Abeywardena - Director	Mahesh Amarasiri - Director
						Pawan Nand Tejwani - Managing Director	Prof. Niranjan Deepal Gunawardane - Director
						Mahesh Amarasiri - Director	U P Egalahewa PC - Director
						Kusal Jayawardana - Director	
						Ms.Naomi Rashmini Mather -Director	
	Dormant	Manufacturing PVC Compound	Manufacturing and Selling Aluminium rods, Alloys of Aluminium and Other Metals	Manufacturing of copper rods, bus bars, strips, profiles, catenary wires and tubes for local and export market	Manufacturing of electrical accessories	Manufacturing of electrical cables and accessories	Power & energy Generation
	Deloitte Partners Chartered Accountants	Deloitte Partners Chartered Accountants	Deloitte Partners Chartered Accountants	Deloitte Partners Chartered Accountants	Deloitte Partners Chartered Accountants	Deloitte Partners Chartered Accountants	Ernst & Young, Chartered Accountants
	Corporate Affairs (Pvt) Ltd	Management Applications (Pvt) Ltd	Management Applications (Pvt) Ltd	Corporate Affairs (Pvt) Ltd	Corporate Affairs (Pvt) Ltd	Nexia Corporate Consultants (Pvt) Ltd	Nexia Corporate Consultants (Pvt) Ltd
	None	11	30	22	80	252	115

RISK MANAGEMENT

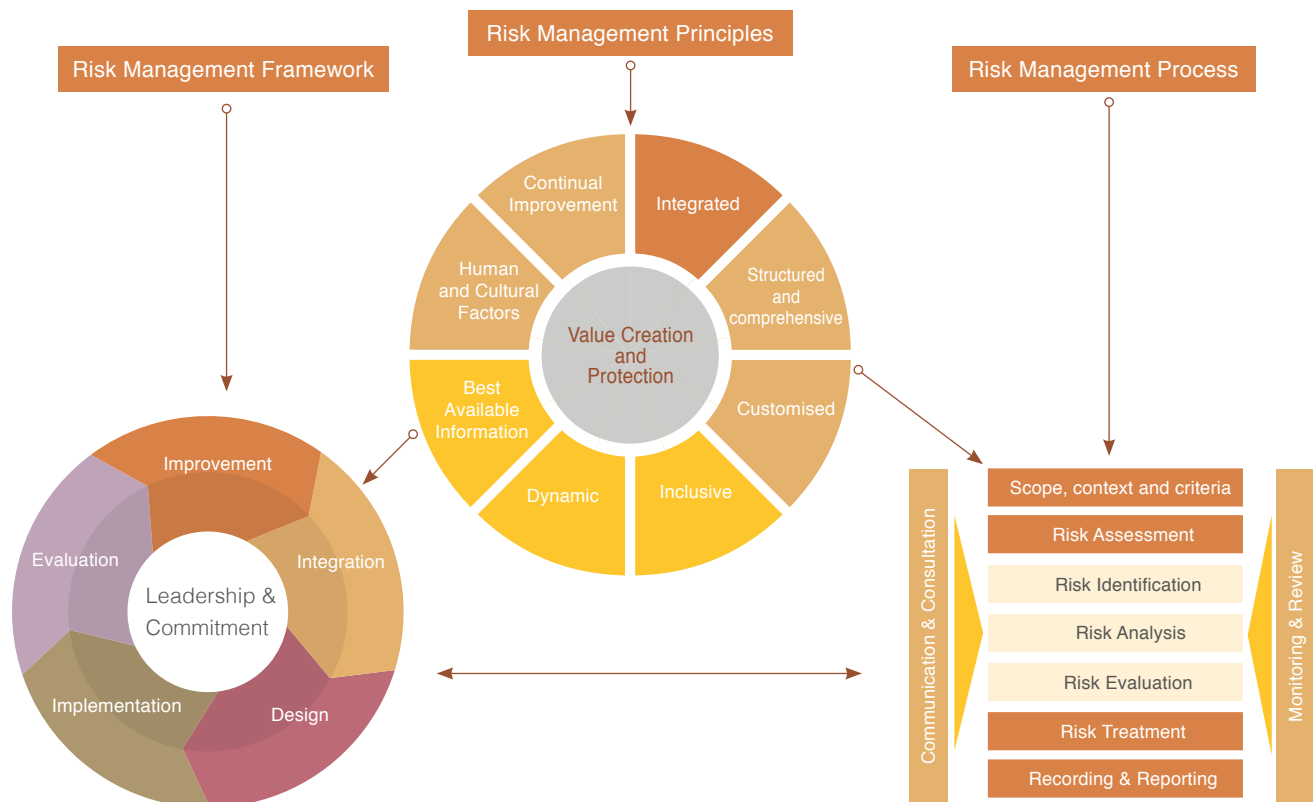
ACL Cables PLC is committed to maintaining a robust Enterprise Risk Management (ERM) framework that supports the achievement of its strategic objectives while safeguarding long-term value creation. The Company systematically identifies, assesses, and manages risks across the organisation to achieve an optimal balance between risk and opportunity, while remaining responsive to evolving internal and external business conditions.

As the market leader in Sri Lanka's cable industry, the Company integrates risk and opportunity considerations into strategic and operational decision-making, enabling proactive responses to emerging challenges and the effective pursuit of growth opportunities.

In line with its commitment to sustainable value creation, the Company continues to strengthen its risk management practices by incorporating sustainability and climate-related risks in accordance with the

principles of ISO 31000 and the emerging disclosure requirements of SLFRS S1 and SLFRS S2. This structured approach enhances governance, strengthens risk identification and mitigation processes, and supports the Company's long-term operational and financial resilience. Further details on the Company's sustainability reporting journey are presented on page 30 to 33 of this Annual Report.

Principles, Framework, and Risk Management Process of ISO 31000



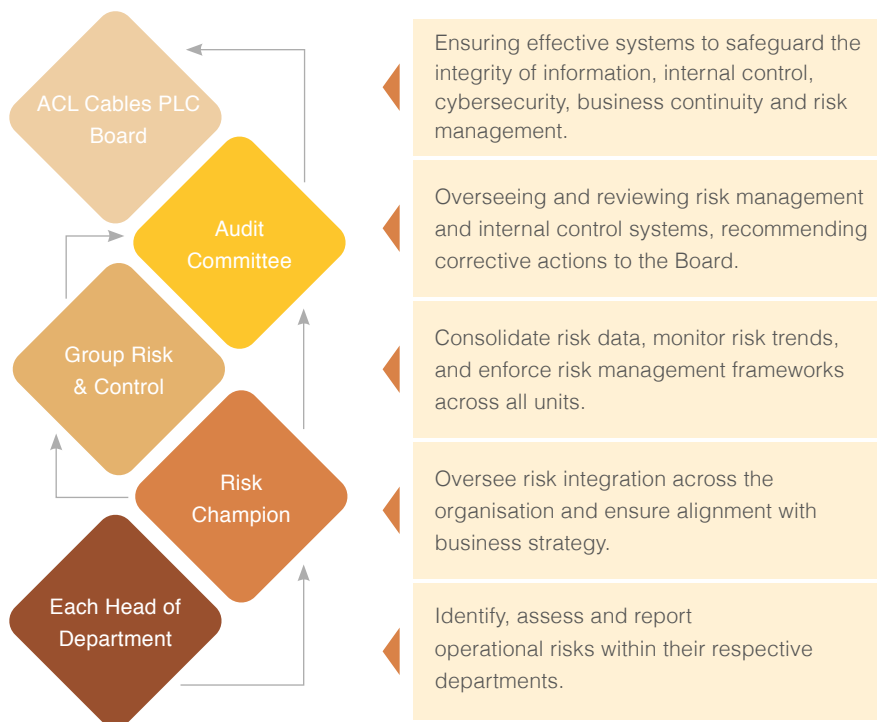
THE ISO 31000 GUIDELINES PROVIDE A STATEMENT OF RISK MANAGEMENT PRINCIPLES.

The eight principles are described below:

1. Customised framework and processes
2. Appropriate and timely involvement of stakeholders
3. Structured and comprehensive approach
4. Risk management is an integral part of all organisational activities
5. Risk management anticipates, detects, acknowledges, and responds to changes
6. Risk management explicitly considers any limitations of available information
7. Human and cultural factors influence all aspects of risk management
8. Risk management is continually improved through learning and experience

The first five principles focus on the design and integration of an effective risk management framework, while the remaining three guide its operation, evaluation, and continuous enhancement.

Risk Management Reporting Structure of ACL Cables PLC



Approach to Risk Management

ACL Cables PLC adopts a hybrid risk management approach, integrating both top-down and bottom-up methodologies to ensure comprehensive risk identification and assessment across the organisation. Strategic risks are identified by the Board of Directors and Senior Management, while

operational risks are identified at the business unit level, ensuring alignment between corporate objectives and day-to-day operations.

The Board has delegated oversight of the risk management framework to the Audit Committee.

The independent Risk and Control Department provides regular risk assessments and reporting to the Audit Committee, reinforcing effective governance, transparency, and objective oversight. Risks are reviewed quarterly to assess their significance, monitor the effectiveness of mitigation measures, and ensure the risk profile remains aligned with the Group's strategic objectives.

Risk Management Structure

ACL Cables PLC adopts the Three Lines of Defense model as part of its corporate governance framework to strengthen risk management and internal control. The first line of defense comprises operational management and employees, who are responsible for identifying, assessing, and managing risks within their respective functions while maintaining effective internal controls. The second line consists of management, which provides oversight through the establishment of risk management frameworks, policies, and compliance monitoring. The third line comprises the Board of Directors, the Audit Committee, and the Risk & Control Department, which provide independent assurance on the effectiveness of the Group's risk management, governance, and internal control processes.

Three Lines of Defense Model.



Collectively, the Three Lines of Defense create a strong governance framework that supports the achievement of our strategic objectives and safeguards value for our stakeholders.

RISK MANAGEMENT

Risk Evaluation and Mapping

The Risk Heat Map has been developed based on an assessment of each risk's likelihood of occurrence and potential impact. Risk likelihood is evaluated using a comprehensive approach that incorporates historical trends, the effectiveness of existing controls, and prevailing local and global conditions, including geopolitical

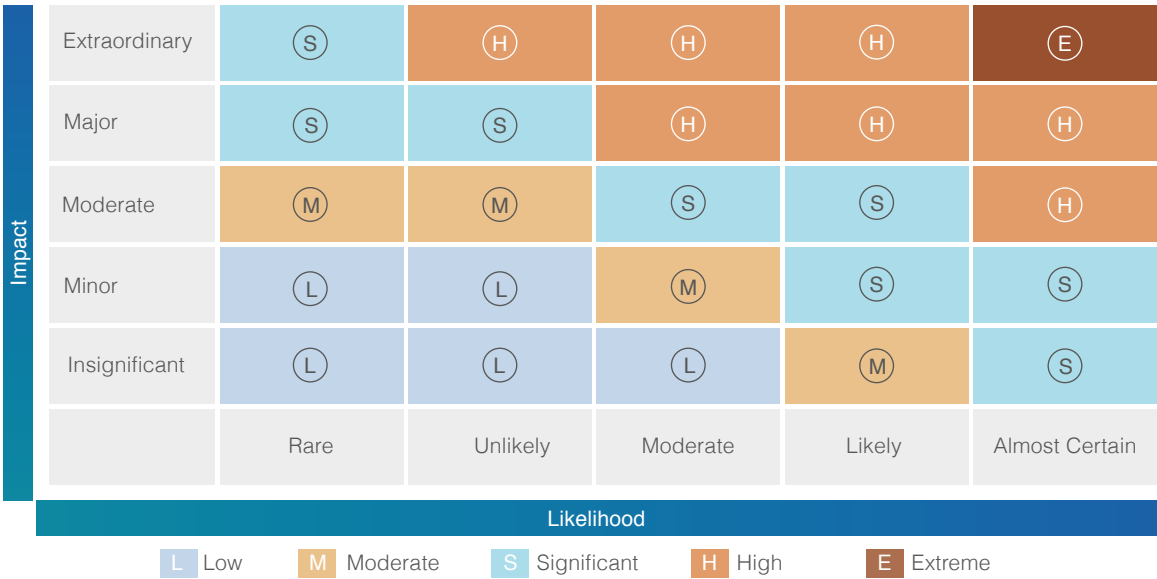
developments, economic volatility, and other emerging risk factors. Risks are classified into five likelihood categories: Rare, Unlikely, Moderate, Likely, and Almost Certain.

Risk impact is assessed through both qualitative and quantitative analysis, considering the potential consequences for the Company and its stakeholders. Based

on this assessment, risks are categorised as Insignificant, Minor, Moderate, Major, or Extraordinary.

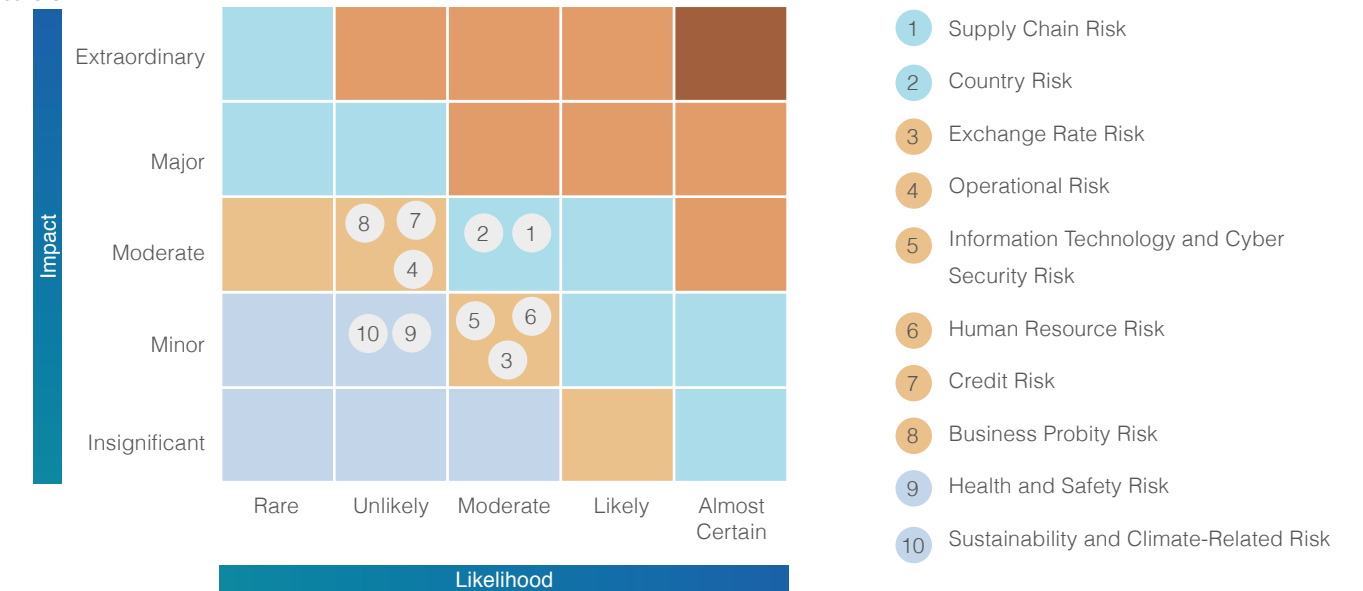
The Risk Heat Map, together with the corresponding mitigation strategies and action plans, is reviewed regularly by the Audit Committee as a standing agenda item to ensure ongoing oversight and effective risk governance.

The Risk Matrix



Future Outlook

ACL Cables PLC maintains a robust risk management framework to effectively identify, assess, and manage existing and emerging risks that may impact the achievement of its strategic and operational objectives. The Risk Heat Map below illustrates the Company's principal risk drivers over a one-year horizon (FY 2025/26), assessed based on their likelihood, potential impact, and anticipated future movement. These risks are interrelated and should not be considered in isolation, as the occurrence of one risk may influence or amplify the effects of others.

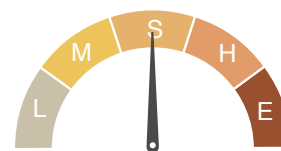


Snapshot of Key Risks & Mitigation Strategies

1. SUPPLY CHAIN RISK

Supply Chain Risk refers to the potential for disruptions that may impact the timely availability, quality, and cost of raw materials, components, and logistics services, thereby affecting the Company's operational continuity and overall business performance.

Risk Rating - Significant



Mitigation Actions

- Diversify and strengthen the supplier base to reduce dependency on individual suppliers and enhance supply chain resilience.
- Maintain adequate safety stock levels of critical raw materials to support uninterrupted production and mitigate supply disruptions.
- Establish long-term strategic partnerships with key suppliers through framework, fixed-price, or volume-based agreements to improve supply security, cost predictability, and business continuity.
- Continuously monitor supplier performance, market conditions, and emerging supply chain risks to facilitate proactive risk management and timely mitigation.

2. COUNTRY RISK

Adverse changes in the external operating environment arising from political, economic, social, technological, environmental, and legal (PESTEL) factors may negatively impact the Company's operations and financial performance. Such developments could result in increased operating costs, supply chain disruptions, evolving regulatory requirements, changing customer demand, rapid technological advancements, environmental challenges, and broader macroeconomic uncertainties.

Risk Rating - Significant



Mitigation Actions

- Perform periodic PESTEL assessments to identify emerging external risks and opportunities, supporting strategic planning and informed decision-making.
- Monitor changes in the regulatory and legislative environment to ensure timely compliance and proactive adaptation to evolving requirements.
- Maintain constructive engagement with government authorities, regulators, and industry bodies to stay abreast of policy, regulatory, and industry developments.
- Continuously monitor macroeconomic conditions and market trends to enhance organisational resilience and preparedness for external challenges.

3. EXCHANGE RATE RISK

The Company is exposed to foreign exchange risk due to fluctuations in the USD/LKR exchange rate, as a significant proportion of key raw materials, including copper and other strategic inputs, are imported and denominated in foreign currencies.

Risk Rating - Moderate



Mitigation Actions

- Continuously monitor macroeconomic conditions, regulatory developments, and government policy changes to proactively assess potential business impacts and support informed strategic decision-making.
- Maintain an appropriate foreign currency liquidity buffer to ensure the timely settlement of critical international obligations and enhance financial resilience.
- Monitor global geopolitical developments and emerging trade-related risks to anticipate potential disruptions to international trade, foreign exchange stability, and supply chain continuity.

RISK MANAGEMENT

4. OPERATIONAL RISK

Operational risk refers to the potential for losses or disruptions arising from inadequacies or failures in the Company's internal processes, people, systems, or external events. Effective management of operational risk is integral to maintaining business continuity, strengthening internal controls, enhancing operational resilience, and supporting the achievement of the Company's strategic objectives through a robust governance and risk management framework.

Risk Rating - Moderate



Mitigation Actions

- Strengthen the Enterprise Risk Management (ERM) framework through a structured and integrated risk management approach.
- Periodically assess the effectiveness of key controls over critical business processes and high-risk areas.
- Monitor compliance with applicable laws, regulations, internal policies, and governance requirements.
- Perform risk-based system and process control reviews in line with the approved Internal Audit Plan.
- Foster a strong risk-aware culture through continuous awareness, training, and accountability initiatives.

5. INFORMATION TECHNOLOGY AND CYBER SECURITY RISK

The risk of operational disruption, financial loss, regulatory non-compliance, and reputational damage arising from information system failures, processing errors, cybersecurity incidents, or unauthorised access to, misuse of, or compromise of the Group's information systems and data.

Risk Rating - Moderate



Mitigation Actions

- Develop, implement, and periodically review the Business Continuity Management (BCM) framework, including Disaster Recovery (DR) capabilities, to strengthen organisational resilience and ensure continuity of critical business operations.
- Enhance the organisation's cybersecurity posture through the continuous strengthening of information security controls to mitigate evolving cyber threats and safeguard critical information assets.
- Conduct independent third-party security assessments and vulnerability evaluations to identify emerging risks and drive continuous improvement of the IT control environment.
- Strengthen vendor governance by effectively managing service agreements to ensure reliable technology support, system availability, and ongoing maintenance of critical IT infrastructure.
- Maintain and continuously enhance the effectiveness of IT General Controls (ITGCs) to support secure, reliable, and compliant technology operations across the organisation.

6. HUMAN RESOURCE RISK

The inability to attract, develop, retain and effectively plan for the succession of critical talent and leadership personnel may adversely affect the Group's operational resilience, leadership continuity and strategic execution. The loss of key employees could result in the erosion of institutional knowledge, capability gaps, increased talent acquisition costs, reduced operational efficiency, and weakened long-term competitiveness.

Risk Rating - Moderate



Mitigation Actions

- Maintain a performance-based evaluation and reward system to retain and motivate talent.
- Foster strong employee relations through regular engagement and the Joint Consultative Committee (JCC).
- Provide employee welfare benefits to enhance well-being and satisfaction.
- Conduct training and development programs to strengthen employee capabilities.
- Implement a structured succession planning process to ensure leadership continuity.

7. CREDIT RISK

The Company is exposed to the risk of financial loss arising from customers' inability or failure to settle outstanding receivables within agreed credit terms. Delayed collections or payment defaults by dealers, distributors, and export customers may adversely impact liquidity, operating cash flows, and profitability through increased impairment provisions for trade receivables.

Risk Rating - Moderate



Mitigation Actions

- Ensure consistent compliance with the Company's approved credit policies, procedures, and delegated authority framework.
- Strengthen credit risk oversight through continuous monitoring and proactive management of customer credit exposures.
- Mitigate potential credit losses by securing credit exposures through appropriate financial instruments, including Bank Guarantees and other approved security arrangements.
- Conduct periodic reviews of customer credit facilities and payment terms to ensure alignment with evolving risk profiles, creditworthiness, and the Company's risk appetite.

8. BUSINESS PROBITY RISK

The Company is exposed to the risk of unethical conduct, including fraud, bribery and corruption, conflicts of interest, financial misstatements, and management misconduct, which may undermine corporate integrity, compromise regulatory compliance, and adversely impact reputation, financial performance, stakeholder trust, and long-term value creation.

Risk Rating - Moderate



Mitigation Actions

- Strengthening the internal control framework by continuously identifying and mitigating areas vulnerable to fraud, misconduct, and operational risks.
- Embedding a culture of integrity and accountability through the effective implementation and adherence to the Company-wide Code of Ethics and Conduct.
- Conducting proactive fraud risk assessments to identify emerging threats, evaluate control effectiveness, and implement appropriate mitigation measures.
- Performing risk-based internal audits and targeted reviews focusing on high-risk areas to enhance control effectiveness and prevent fraud and malpractices.
- Maintaining a formal whistleblowing mechanism to facilitate confidential reporting of unethical conduct, control weaknesses, and other concerns while ensuring appropriate investigation and resolution.
- Continuously enhancing corporate governance practices in line with regulatory requirements and leading governance principles to ensure transparency, accountability, and responsible value creation.

RISK MANAGEMENT

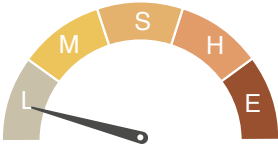
9. HEALTH AND SAFETY RISK

The risk of injury, occupational illness, or adverse health impacts to employees, contractors, visitors, and other stakeholders arising from workplace hazards, unsafe work practices, equipment failures, or operational activities, potentially resulting in operational disruption, regulatory non-compliance, financial loss, and reputational damage.

Mitigation Actions

- Conduct periodic health and safety assessments to evaluate the effectiveness of existing controls and drive continuous improvement across operations.
- Ensure the effectiveness of health and safety initiatives through ISO certifications and other relevant accreditations.
- Ensure ongoing compliance with applicable health, safety, and regulatory requirements through robust governance, monitoring, and compliance management processes.

Risk Rating - Low



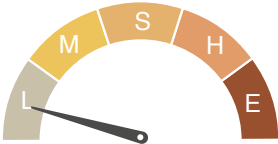
10. SUSTAINABILITY AND CLIMATE-RELATED RISKS

Climate-related physical and transition risks continue to influence the Company's long-term performance and strategic outlook. Increasing sustainability regulations, environmental policies, and stakeholder expectations are reshaping business environments and market dynamics. As economies transition towards more sustainable and low-carbon models, the Company remains focused on proactively managing emerging risks while capitalising on opportunities that support sustainable growth and long-term value creation.

Mitigation Actions

- Continuously assess sustainability and climate-related risks and opportunities.
- Ensure compliance with sustainability and climate-related reporting requirements.
- Integrate ESG considerations into strategic and operational decision-making.
- Expand the use of renewable energy sources, including solar power.
- Monitor compliance with evolving environmental regulations and reporting standards.
- Conduct periodic reviews to identify emerging sustainability risks and opportunities.

Risk Rating - Low



SUSTAINABILITY AND CLIMATE-RELATED RISKS AND OPPORTUNITIES (SRRO & CRRO)

ACL Cables PLC recognises climate change and sustainability-related developments as important factors influencing the Company's long-term resilience, strategic direction, and value creation. Climate-related risks and opportunities are considered within the Company's enterprise risk management framework to proactively manage emerging challenges while capitalising on opportunities arising from the transition towards a sustainable and low-carbon economy.



Climate-Related Risks



PHYSICAL RISKS



Acute Physical Risks: Extreme Weather Events

Heavy rainfall, flooding, and storms are identified as immediate threats that can disrupt manufacturing operations, infrastructure, Distribution, and supply chain continuity.



Chronic Physical Risks: Long-Term Shifts

Rising temperatures may increase energy costs and employee heat stress, requiring greater energy efficiency and resource optimisation, while sea-level rise may disrupt market access and business continuity in vulnerable destinations such as the Maldives.



TRANSITION RISKS



Regulatory and Compliance

The potential introduction of carbon taxes and stricter emission standards may increase operational costs and compliance requirements.



Technological & Market Dynamics

Rapid advancements in sustainable technologies and growing demand for eco-friendly products may require the Company to continuously innovate and adapt its product portfolio to remain competitive and relevant.



Climate-Related Opportunities



Resource Optimisation and Cost Reduction

Improving energy efficiency across operations serves as a direct pathway to lowering costs while enhancing environmental performance.



Sustainable Product Development

The company identifies growth potential in developing sustainable products aligned with evolving environmental requirements, including Medium Voltage Covered conductors that enhance power distribution reliability and resilience while reducing vegetation-related disruption.



Renewable Energy Integration

Exploring cleaner technology and renewable energy solutions is a key pillar for improving the Company's long-term environmental footprint.



The Triple Bottom Line Approach



Economic Value Creation

Focuses on strengthening operational efficiency, innovation, and risk management to ensure long-term competitiveness.



Environmental Responsibility

Promotes responsible resource consumption, waste reduction, and sustainable manufacturing practices across all facilities.



Social Responsibility

Prioritises employee well-being, ethical conduct, stakeholder engagement, and positive community contributions.

CHAIRMAN'S STATEMENT ON CORPORATE GOVERNANCE

THE CHAIRMAN'S STATEMENT

At ACL Cables PLC, corporate governance is not simply a compliance requirement; it is a foundational pillar that underpins our strategy, decision-making, and operational conduct. The trust reposed in us by shareholders, customers, employees, and wider stakeholders is a reflection of our deep-rooted commitment to ethical conduct, transparency, and accountability.

As Chairman, I am pleased to present this statement on corporate governance for the year under review, in compliance with the Code of Best Practice on Corporate Governance 2023 issued jointly by the Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka, and with due consideration to the Continuing Listing Requirements stipulated under Section 9.1.3. of the Listing Rules of the Colombo Stock Exchange.

Our governance framework is purpose-built to support the achievement of long-term sustainable performance, guided by a culture of integrity and stewardship. During the year, the Board continued to strengthen its oversight across all critical areas including risk management, succession planning, internal controls, and stakeholder engagement, while ensuring alignment with evolving regulatory expectations and best practice benchmarks.

FOSTERING A CULTURE OF GOVERNANCE

At the heart of ACL Cables' governance ethos lies a commitment to our core values of Innovation, Integrity, Responsibility, Excellence, and Urgency. These values serve as the foundation for decision-making and accountability at every level of the organisation. The Company has also taken steps to ensure that governance awareness is embedded in the daily responsibilities of our employees, through continuous education, internal audits, and executive oversight.

CHAIRMAN'S DECLARATION

I confirm that all Directors, including members of the Corporate Management team, have adhered to the Company's Code of Business Conduct and Ethics during the year under review. I am not aware of any material violations of the provisions of the Code of Conduct that would compromise the ethical standing of the Board or its members.

Looking ahead, the Board will continue to enhance its governance practices, embracing innovation, diversity, and stakeholder inclusion to future-proof ACL Cables PLC as a resilient and responsible corporate citizen.

On behalf of the Board, I thank our shareholders and stakeholders for their continued trust and support.

(Sgd.)
U G Madanayake
Chairman

31st August 2026

CORPORATE GOVERNANCE

ACL Cables PLC is committed to adopting and upholding best practices in corporate governance. Corporate governance is defined as an internal framework comprising policies, processes, and people that collectively serve the interests of shareholders and other stakeholders. Effective governance enables sound business management and control, fosters high standards of ethical conduct, and supports the creation of sustainable value for all stakeholders.

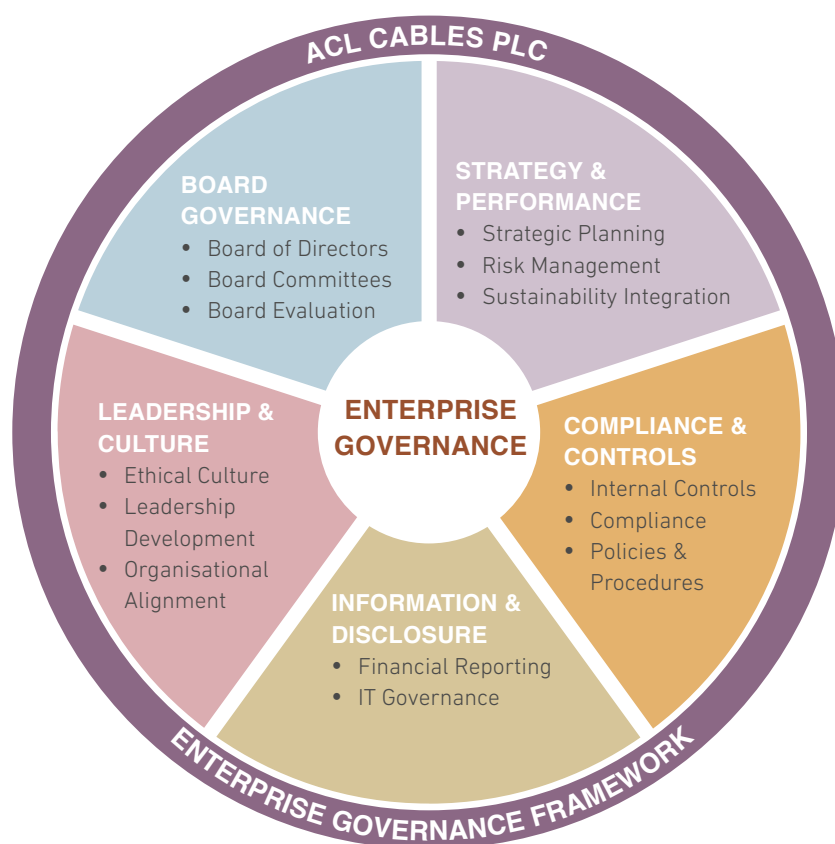
Strong corporate governance is supported not only by external regulatory requirements and market expectations, but also by a robust Board culture that safeguards the integrity of policies and processes. A key aspect of governance is ensuring accountability within the organisation through mechanisms designed to mitigate or eliminate principal-agent challenges.

ACL Cables PLC remains fully committed to maintaining the highest standards of corporate governance through strict compliance with applicable legal and regulatory requirements, while also adhering to relevant voluntary codes and guidelines. In addition to meeting statutory obligations, the Company follows the principles set out in the Code of Best Practice on Corporate Governance 2023, reflecting its continued commitment to transparency, accountability, and long-term sustainable value creation. The following section presents a summary of our compliance status across all applicable governance frameworks.

ACL ENTERPRISE GOVERNANCE FRAMEWORK

In accordance with the above guidelines, ACL Cables PLC ensures full compliance with the Code of Best Practice on Corporate Governance 2023 through well-defined oversight mechanisms, clear segregation of responsibilities, and the effective operation of Board Committees. This governance framework promotes independent judgment, transparency in decision-making, and a strong culture of accountability throughout the organisation.

Through the implementation of strong internal control systems, effective risk management frameworks, and structured stakeholder engagement processes, the Company demonstrates its continued commitment to ethical conduct, regulatory compliance, and the creation of sustainable value. Collectively, these measures strengthen the integrity and resilience of ACL Cables PLC's governance framework.



Compliance Summary		
Adoption	Source	Adherence
Mandatory Provisions	Companies Act No. 7 of 2007, as amended by the Companies (Amendment) Act No. 12 of 2025	Fully compliant
Mandatory Provisions	Listing Rules of the Colombo Stock Exchange (CSE)	
Mandatory Provisions	Securities and Exchange Commission of Sri Lanka Act No. 19 of 2021, including directives and circulars	
Mandatory Provisions	Code of Best Practice on Related Party Transactions (2013) advocated by the Securities and Exchange Commission of Sri Lanka (SEC)	
Mandatory Provisions	SLFRS S1 and S2 – Sustainability Disclosure Standards	
Voluntary Provisions	Code of Best Practice on Corporate Governance 2023 issued jointly by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka) and the Securities and Exchange Commission of Sri Lanka (SEC)	Compliant

CORPORATE GOVERNANCE

ROLE OF THE CHAIRMAN AND MANAGING DIRECTOR

The role of the Chairman is separate from that of the Managing Director, in line with best practices in Corporate Governance, ensuring that no single Director holds unfettered power or authority. Both the Chairman and the Managing Director are Executive Directors and close family members, and accordingly, a Senior Independent Director (SID) has been appointed to ensure compliance with Listing Rule No. 9.6.3 and Code of Best Practices in Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka Sec. No A.5.7 Furthermore, the Chairman does not hold the chairmanship of any Board Committee of ACL Cables PLC, in adherence to Listing Rule No. 9.3.3.

Chairman's Role and Responsibilities

Chairman leads the Board, preserving good corporate governance and ensuring that it works ethically and effectively, acting in the best interest of the Group



- Ensure that the new Board members are given appropriate induction
- Lead the Board and manage the business of the Board.
- Approve the agenda for each Board meeting.
- Ensure that the Board members receive accurate, timely and clear information to enable the Board to make sound decisions.
- Ensure regular meetings, the minutes of which are accurately recorded and where appropriate include the individual and collective views of the Directors.
- Facilitate and encourage discussions among all Directors in decision making.
- Represent the views of the Board to the public.

Managing Director's Role and Responsibilities

The MD is an Executive Director appointed by the Board and is accountable for implementation of the Group's strategic plan and driving performance.



- Formulate, obtain, approve and implement the Company's strategies and manage the day-to-day operations of the Company.
- Developing and recommending budgets to the Board.
- Continuously monitoring and reporting to the Board on the performance of the Company.
- Establishing an optimum organisational structure which is appropriate for the execution of the Company's Strategy.
- Compliance with all the applicable legal and regulatory obligations.
- Managing the financial and the business risk of the company's operations and identifying the potential risks of the Company.

THE BOARD OF DIRECTORS

The Board bears collective responsibility for the overall success and long-term sustainability of the Company. It is entrusted with providing effective leadership within a framework of robust governance and internal controls that support the identification, assessment, and management of risks. The Board is responsible for setting the Company's strategic direction, ensuring the availability of the financial and human resources necessary to achieve its objectives, and overseeing management's performance and effectiveness. Furthermore, it establishes the Company's core values and ethical standards, while ensuring that the interests and obligations owed to shareholders and other stakeholders are appropriately recognised and fulfilled.

	Formulating and overseeing the implementation of a robust business strategy
	Appointing the Chair and, where applicable, the Senior Independent Director
	Ensuring the management team have the requisite skills, experience, and knowledge to execute strategy
	Establishing and maintaining an effective succession plan for the key management positions
	Approving annual budgets and significant capital expenditure decisions
	Defining matters reserved for the Board and delegating appropriate authority and financial powers to management
	Developing and overseeing the ICT roadmap aligned with the Company's strategy and monitoring progress through the ICT dashboard
	Ensuring compliance with applicable laws, regulations, and ethical standards
	Considering the interests of all stakeholders in corporate decision-making
	Integrating sustainable business practices and ESG considerations into strategic decision-making, including integrated reporting
	Establishing and promoting Company values and standards, including the adoption of appropriate accounting policies and adherence to financial regulations
	Monitoring and evaluating the progress of strategy implementation, budgets, plans, and associated risks

FIT AND PROPER ASSESSMENT

ACL Cables PLC places strong emphasis on upholding the highest standards of corporate governance and ethical leadership. As part of its commitment to regulatory compliance and good governance, the Company ensures that its Board of Directors meets the "Fit and Proper" criteria at all times.

In line with the requirements of Listing Rule No. 9.7.4 of the Colombo Stock Exchange (CSE), ACL Cables PLC has obtained written declarations from all Directors, confirming their continued compliance with the fit and proper assessment criteria as outlined in Listing Rule No. 9.7.3. These declarations affirm that each Director possesses the integrity, competence, experience, and financial soundness necessary to discharge their fiduciary duties effectively.

Furthermore, the fit and proper evaluation also adheres to the provisions stipulated in Schedule D of the Code of Best Practice on Corporate Governance, issued by the Institute of Chartered Accountants of Sri Lanka. This process ensures that the Company not only complies with regulatory requirements but also promotes sound ethical conduct and decision-making at the Board level. Through this structured assessment, ACL Cables PLC reinforces its commitment to Board independence, accountability, and transparency, thereby safeguarding stakeholder confidence and maintaining long-term corporate value.

THE BOARD COMPOSITION

ACL Cables PLC is fully committed to maintaining a balanced and well-structured Board that upholds the principles of transparency, accountability, and effective oversight. The composition of the Board has been designed to ensure a mix of skills, experience, and independence in line with recognised governance standards.

The current composition of the Board complies with the provisions of Listing Rule No. 9.8.1 of the Colombo Stock Exchange (CSE) and Section A.5.1 of the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka. As of the

CORPORATE GOVERNANCE

reporting date, the Board comprises Nine (09) Directors, of whom Six (06) are Non-Executive Directors. Among these Non-Executive Directors, Three (03) have been designated as Independent Non-Executive Directors.

ACL Cables PLC is structured to uphold a sound balance of independence and oversight. A majority of the Board members serve in a non-executive capacity, which reinforces the objectivity and integrity of Board deliberations and decision-making processes. This composition enables the Board to exercise effective oversight over management while ensuring that strategic and governance responsibilities are conducted in the best interests of all stakeholders.

The Board has formally determined that these three Independent Non-Executive Directors meet the independence criteria set forth under Listing Rule No. 9.8.3 of the CSE and Section A.5.5 of the Corporate Governance Code issued by CA Sri Lanka. This determination is based on a robust evaluation of their professional background, financial and personal interests, and freedom from any business or other relationships that could materially interfere with the exercise of their independent judgment.

This composition ensures that the Board of ACL Cables PLC benefits from a diversity of perspectives, fosters objective decision-making, and preserves a strong system of checks and balances in its governance processes. The names and profiles of the Directors are provided on pages 42 to 43 of the Annual Report.

THE BOARD DIVERSITY

At ACL Cables PLC, we firmly acknowledge the importance of diversity within the Boardroom and recognise its critical role in enhancing governance, strategic insight, and decision-making. The Company is committed to building and maintaining a Board that reflects a broad spectrum of skills, experiences, and perspectives, which align with the evolving needs of the business and its long-term vision.

ACL Cables PLC is fully aware that diversity encompassing demographic characteristics, professional and educational backgrounds, industry experience, gender, and socio-cultural perspectives enriches the Board's collective intelligence. A diverse Board strengthens engagement with the Company's broad stakeholder base, enables richer insights into emerging market trends, and provides stronger connectivity with the external

environment. This ultimately enhances the Company's responsiveness to stakeholder expectations and social responsibilities.

While striving for diversity, ACL Cables PLC remains equally committed to upholding a strong culture of meritocracy. The Company believes that Board effectiveness must not be compromised in pursuit of diversity. Accordingly, all appointments to the Board are based on the candidates' qualifications, expertise, and alignment with the Company's values and strategic direction.

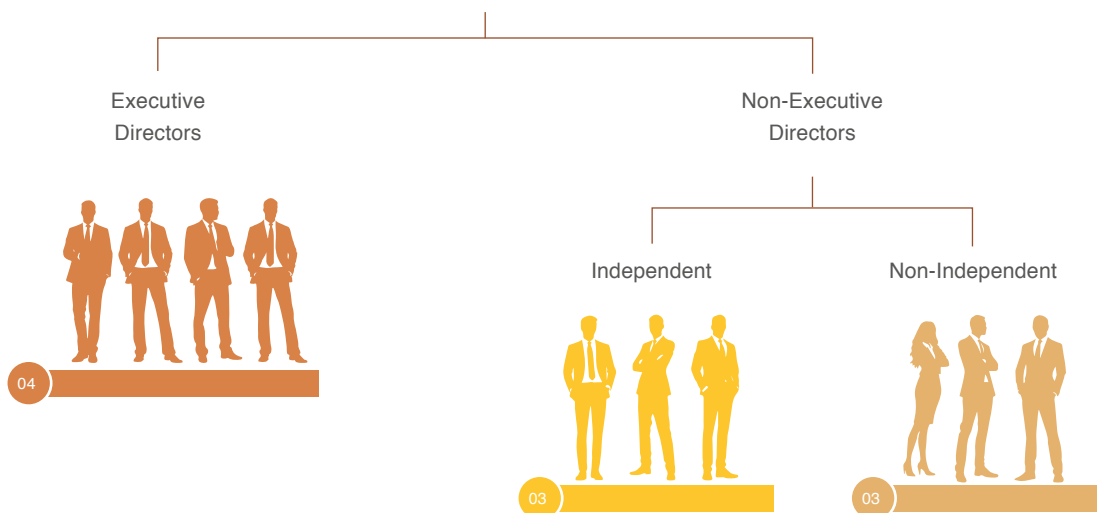
To this end, ACL Cables actively seeks to attract and appoint suitably qualified individuals from varied demographics and professional backgrounds, ensuring a balanced and high-performing Board that supports sustainable value creation.

BOARD SKILLS

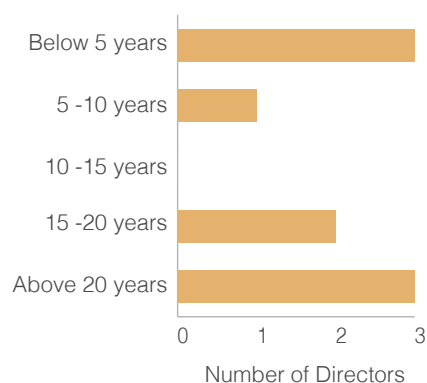
The Board comprises Directors with diverse and complementary skills, knowledge, and experience, which are vital for steering the Company toward its corporate objectives and creating long-term value. Further details of their qualifications and experience are provided under the Board Profiles section of the Annual Report.



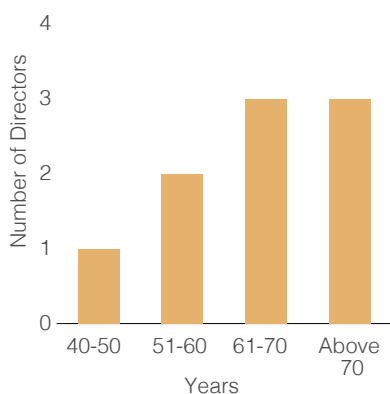
THE BOARD COMPOSITION



Tenure



Age of Directors



BOARD ACCESS TO INDEPENDENT PROFESSIONAL ADVICE

To preserve the independence of the Board and strengthen informed decision-making, Directors are encouraged to seek independent professional advice, where necessary and appropriate, in the discharge of their responsibilities, at the Company's expense. Access to such advice is facilitated by the Company, as and when required.

BOARD INDEPENDENCE

Board independence remains a critical element of strong corporate governance and is increasingly emphasised by regulators, investors, and governance bodies. ACL Cables PLC acknowledges that true independence extends beyond formal definitions and requires practical, principle-driven implementation across its governance structure. In line with the Corporate Governance Best Practices

2023, particularly Principal A.1.2 and its supporting guidance, the Company ensures that independent decision-making is embedded within the Board through rigorous nomination processes, robust assurance mechanisms, and structured Board evaluations.

Independence is regularly assessed not just in form, but in substance, reinforcing a culture of objectivity and accountability.

ACL Cables PLC fosters Independent Director-led engagement, empowering these directors to contribute meaningfully to strategic discussions and governance

oversight. The Company's governance practices include periodic performance reviews and active participation of Independent Directors across key committees, as encouraged under Best Practice Guideline A.5.5 of the Corporate Governance Code 2023 and rule No. 9.19.4 of the Colombo Stock Exchange.

Through these measures, ACL Cables PLC balances regulatory compliance with operational effectiveness, promoting independence that supports both stakeholder trust and sustainable corporate performance.

The independence of all Independent Non-Executive Directors was assessed in accordance with established criteria.

Criteria for defining Independence	Status of conformity of INED
None of the INEDs have shareholding carrying 10 per cent or more of voting rights	Compliant
None of the INEDs is the director of another company*	Compliant
None of the INEDs have Income/non-cash benefits equivalent to 10 per cent of the Director's annual income, excluding income/non-cash benefits received, which are applicable on a uniform basis to all Non-Executive Directors on the Board.	Compliant
None of the INEDs have employment at ACL Cables or a material business relationship with ACL Cables currently or in the three years immediately preceding their appointment as Directors	Compliant
None of the INEDs have a close family member who is a Director, CEO or Key Management Personnel.	Compliant
None of the INEDs have served on the Board continuously for a period exceeding nine years from the date of the first appointment.	Compliant
None of the INEDs are employed or have a material business relationship and/or significant shareholding in other companies*. Entails other companies that have significant shareholding in the COMPANY, and the Company has a business connection with	Compliant
None of the INEDs are above the age of seventy (70) years	Compliant

*Other companies in which a majority of the other Directors of the listed company are employed or are Directors or have a significant shareholding or have a material business relationship or where the core line of business of such company is in direct conflict with the line of business of the listed company.

CORPORATE GOVERNANCE

FINANCE ACUMEN

The Board of ACL Cables PLC comprises professionals with extensive expertise in Corporate Finance, Financial Reporting, Auditing, Tax Planning, Treasury Operations, and Strategic Risk Oversight. This collective financial competence enables the Board to rigorously evaluate financial performance, ensure fiscal discipline, and contribute meaningfully to strategy formulation with a focus on long-term value creation and resilience.

BOARD MEETINGS

Board meetings at ACL Cables are structured gatherings where key decisions are made, and strategic directions are discussed and reviewed. The Board meets on a quarterly basis as scheduled in advance, with additional meetings called as needed for specific purposes. These gatherings serve as platforms for deliberating a wide range of subjects relevant to business.

A hallmark of these meetings is the open exchange of perspectives among Directors, who contribute their wealth of experience and independent judgment to the discussions and decision-making process. Furthermore, the Group Chief Financial Officer is invited to participate in Board meetings as a permanent invitee.

DIRECTORS' ATTENDANCE RECORD

In compliance with Section A.10.1 of the Code of Best Practice on Corporate Governance 2023 the attendance of Directors at relevant meetings of the Board held during 2025/2026 was as follows.

Name of the Director	Type of directorship	No. of meetings (11)
Mr. U.G. Madanayake	Executive Director	8
Mr. H.A.S. Madanayake	Executive Director	11
Mrs. N.C. Madanayake	Non-Independent Non-Executive Director	1
Mr. D.D. Wahalatantiri	Executive Director	10
Mr. P.S.R Casie Chitty	Non-Independent Non-Executive Director	11
Dr. S. Selliah	Non-Independent Non-Executive Director	10
Mr. W. P. K. Jayawardana	Independent Non-Executive Director	11
Prof. K. A. M. K. Ranasinghe	Senior Independent Non-Executive Director	11
Mr. N.B. Weerasekera	Independent Non-Executive Director	11

THE TOTAL NUMBER OF BOARD SEATS (EXCLUDING ACL CABLES PLC) HELD BY EACH DIRECTOR AS OF 31ST MARCH 2026

In compliance with Section A.10.1 of the Code of Best Practice on Corporate Governance 2023, which emphasises the importance of transparency and accountability in the governance structure of a company, the total number of board seats held by each Director excluding their directorship in ACL Cables PLC is disclosed as follows.

Name of the Director	No. of Board seats – Listed Companies	
	Executive	Non-Executive
Mr. U.G. Madanayake	2	1
Mr. H.A.S. Madanayake	2	3
Mrs. N.C. Madanayake	-	2
Mr. D.D. Wahalatantiri	-	1
Mr. P.S.R Casie Chitty	1	2
Dr. S. Selliah	-	5
Mr. W. P. K. Jayawardana	1	3
Prof. K. A. M. K. Ranasinghe	-	1
Mr. N.B. Weerasekera	-	3

COMPANY SECRETARY

In line with the relevant guidelines in Schedule A, Code of Best Practice on Corporate Governance 2023, The Company Secretary plays an integral role in supporting the effective functioning of the Board and promoting high standards of corporate governance. Directors have unrestricted access to the advice and services of the Company Secretary.

The key responsibilities of the Company Secretary include:

- Assisting the Board in ensuring compliance with the Articles of Association, applicable laws, regulations, Listing Rules, and corporate governance requirements.

- Organising and coordinating Board and Board Committee meetings and facilitating the timely circulation of agendas and relevant papers.
- Attending Board and Board Committee meetings and maintaining accurate records and minutes of proceedings and decisions.
- Keeping the Board informed of relevant legal, regulatory, and corporate governance developments.
- Facilitating effective communication between the Board, Board Committees, and Management.
- Assisting in the implementation of Board decisions and monitoring compliance with internal policies and procedures.

The Company Secretary acts as an advisor to the Board on governance matters and facilitates the effective discharge of the Board's responsibilities.

SENIOR INDEPENDENT DIRECTOR

Professor Malik Kumar Ranasinghe served as the Senior Independent Director (SID) of the Company throughout the financial year 2025/26, providing independent leadership and support to the Board in accordance with the principles of good corporate governance. The appointment of a SID is a key element in strengthening the

RESPONSIBILITIES OF THE SENIOR INDEPENDENT DIRECTOR

	Convene meetings of independent directors at least once a year
	Report key observations and concerns from these meetings to the Chairman and the Board
	Lead the annual appraisal of the Chairman's performance
	Hold a casting vote during the Chairman's appraisal meeting
	Disclose the outcome of the Chairman's performance review in the Annual Report
	Be available to other directors for confidential discussions when they have unresolved concerns
	Ensure that any unresolved concerns raised by directors are documented in the Board minutes

Company's corporate governance framework, as it provides an additional layer of oversight and objectivity at the Board level. In accordance with Listing Rule 9.6.3 and Best Practice Guideline A.5.7 of the Corporate Governance Code 2023, the SID is entrusted with the responsibility of leading the evaluation of the performance of both the Board and its Chairman, thereby promoting a culture of accountability and continuous improvement.

Beyond this evaluative function, the SID also acts as a vital point of contact for shareholders and Directors, particularly in situations where it may be inappropriate or ineffective for concerns to be raised through the usual channels. By offering an independent avenue for dialogue and governance assurance, the SID contributes significantly to the enhancement of Board effectiveness and supports the principles of transparency, integrity, and sound decision-making. This role is integral to upholding stakeholder confidence and ensuring the long-term sustainability of the Company's governance practices.

APPOINTMENT, RE-ELECTION, AND RESIGNATION OF DIRECTORS

There were no appointments, resignations, retirements, or other changes to the composition of the Board of Directors during the financial year 2025/26. The Board remained unchanged throughout the year, ensuring continuity in leadership, governance, and strategic oversight.

However, Mr. W P Kusal Jayawardana has relinquished his position as an Independent Non - Executive Director to take up the role of Executive Director/Group Chief Executive Officer of the ACL Cables group with effect from April 01, 2026.

With his transition, Mr. Esala Ruwan Weerakoon has been appointed as an Independent Non-executive Director of the Company with effect from June 30, 2026, as resolved by a Resolution passed by the Board of Directors on June 30, 2026, pursuant to review by the Nominations and Governance Committee of the Company.

TRAINING FOR THE DIRECTORS

As per Section A.1.8 of the Code of Best Practice on Corporate Governance (2023), ACL Cables PLC is committed to ensuring that all Directors are equipped with the knowledge and skills necessary to discharge their responsibilities effectively. Every Director undergoes a structured induction program upon appointment, providing a comprehensive understanding of the Company's operations, governance framework, and strategic priorities. The Company's policy further promotes continuous professional development by offering tailored training opportunities, aligned to the evolving needs and relevance of each Director's role, thereby fostering ongoing Board effectiveness and governance excellence.

DEDICATION OF ADEQUATE TIME AND EFFORT

Every Director dedicates adequate time and effort to matters of the Board and the Company. Adequate time is devoted at every meeting to ensuring that the Board's responsibilities are discharged satisfactorily. In addition, the Executive Directors of the Board have regular meetings with the Management when required.

ACCOUNTABILITY AND STATUTORY AUDIT

The Board is committed to upholding the highest standards of corporate accountability by ensuring a fair, balanced, and transparent presentation of the Company's financial position and future prospects. In discharging this responsibility, the Board ensures that the Quarterly and Annual Financial Statements are prepared and presented in full compliance with the Sri Lanka Accounting Standards and meet all statutory obligations under the Companies Act No. 7 of 2007, as amended by the Companies (Amendment) Act No. 12 of 2025.

A detailed account of the Company's performance, principal activities, and governance practices is included in the Report of the Directors, which can be found on pages 105 of this Annual Report. The Statement of Directors' Responsibilities for Financial Reporting, which outlines the

CORPORATE GOVERNANCE

Board's Accountability in preparing accurate and reliable financial statements, is disclosed on page 108, alongside the Independent Auditors' Report presented on page 116 to 119.

Furthermore, in accordance with sound governance and financial prudence, the Board has reviewed and affirmed the Company's ability to continue as a going concern. The Going Concern Declaration is explicitly addressed within the Report of the Directors on page 105 to 107 of this Annual Report, providing assurance to shareholders and stakeholders regarding the Company's ongoing viability.

INTERNAL CONTROLS

The Board of Directors of ACL Cables PLC acknowledges its ultimate responsibility for establishing and maintaining a robust system of internal controls designed to protect shareholders' investments, safeguard Company assets, and ensure the integrity of financial and operational reporting.

In accordance with Section A.1.8 of the Code of Best Practice on Corporate Governance (2023), the Board ensures that its governance framework supports continuous Board effectiveness. This includes providing Directors with the necessary knowledge, training, and access to information to competently oversee internal control responsibilities.

The Company's internal control framework is structured to:

- Facilitate accurate and timely financial reporting.
- Promote compliance with applicable laws, regulations, and internal policies.
- Prevent and detect fraud and errors.
- Sound decision-making through reliable operational and management information.
- Maintain efficiency and effectiveness in operational processes.

The internal control system operates across all levels of the organisation and is embedded into day-to-day business

functions. It is periodically reviewed for adequacy and effectiveness by the Audit Committee, which plays a critical oversight role. The Committee is empowered to escalate any material deficiencies, significant operational anomalies, or emerging control concerns to the Board, as necessary.

While the system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives, it provides a reasonable but not absolute level of assurance against material misstatements, financial loss, or operational disruptions.

RISK MANAGEMENT

ACL Cables PLC recognises that effective risk management is essential for safeguarding the Company's assets, protecting stakeholder interests, and ensuring the sustainable delivery of strategic and operational objectives. The Company adopts a structured, enterprise-wide approach to risk management, with oversight responsibilities formally delegated by the Board to the Audit Committee.

The Audit Committee is entrusted with identifying, evaluating, and continuously monitoring the Company's risk exposures, while also advising the Board on appropriate management strategies to mitigate or respond to these risks. This proactive oversight supports informed decision-making and enables the Company to anticipate, prepare for, and adapt to both existing and emerging risk factors.

A detailed assessment of key risks is presented in the Risk Management section of this Annual Report on page 62 to 69.

ACL Cables PLC's risk management framework is aligned with its broader sustainability and corporate responsibility commitments. The Company's approach to risk management is guided by the following core objectives:

- Delivering consistent and long-term value to customers
- Promoting environmentally sustainable and responsible product innovation

- Maintaining a safe, secure, and healthy workplace for all employees
- Preventing unexpected losses, operational breakdowns, and supply chain disruptions
- Optimising the efficient use of finite resources and minimising waste
- Mitigating environmental pollution and reducing the Company's ecological footprint
- Fostering responsible supplier relationships and ensuring continuity of critical inputs
- Building trust and goodwill within the communities in which the Company operates

In pursuit of these objectives, the Company continuously strengthens its risk identification and mitigation capabilities through quarterly risk assessments. The Company remains committed to enhancing its risk culture and embedding risk awareness at every level of the organisation.

INTERNAL COMPLIANCE

A quarterly compliance review was conducted by the Group Risk and Control function to assess adherence to statutory and regulatory requirements, as well as to identify any material deviations from laws and internal policies. This process is an integral part of the Company's internal control framework and supports proactive risk mitigation.

To enhance transparency and oversight, a detailed compliance dashboard highlighting key findings, compliance status, and any exceptions was prepared and presented to the Audit Committee at its scheduled meetings. In addition, formal affirmation statements were obtained from the respective responsible officers, confirming their compliance with applicable laws, regulations, and internal policies. This approach reinforces accountability and supports the Company's ongoing commitment to regulatory integrity and governance excellence.

During the year under review, the Company continued to monitor compliance with the

Companies Act No. 7 of 2007, as amended by the Companies (Amendment) Act No. 12 of 2025, together with other applicable laws and regulations. Appropriate procedures were maintained to ensure the upkeep of statutory records and the timely fulfilment of filing obligations. The Company also implemented processes to comply with the beneficial ownership requirements introduced by the Companies (Amendment) Act No. 12 of 2025, thereby further strengthening transparency and accountability within its governance framework.

BENEFICIAL OWNERSHIP COMPLIANCE

In accordance with the provisions of the Companies Act No. 7 of 2007, as amended by the Companies Act (Amendment) No. 12 of 2025, the Company has implemented appropriate procedures to comply with the beneficial ownership requirements introduced under the Act. A Register of Beneficial Owners is maintained in the prescribed manner, and the Group Head of Risk and Control has been appointed as the Authorized Person responsible for the safekeeping of the Register and for facilitating access to beneficial ownership information by the competent authorities and persons specified by law. The Company complied with the applicable filing and disclosure requirements relating to beneficial ownership information during the year under review.

SEGREGATION OF DUTIES (SOD)

ACL Cables PLC is very much aware of the need to ensure that no individual has excessive system access to execute transactions across entire or several business processes which have critical approval linkages, in the context that increasing use of information technology and integrated financial controls creates unintended exposures within the company. SoD dictates that problems such as fraud, material misstatements and manipulation of financial statements have the potential to arise when the same individual can execute two or more conflicting, sensitive transactions. Separating disparate jobs into task-oriented roles can often result in inefficiencies and costs which do not meet the cost versus benefit criteria. Whilst the

attainment of a zero SOD conflict is unlikely, the Group continues to take steps to identify and evaluate existing conflicts and reduce residual risks to an acceptable level under a cost versus benefit rationale. No material conflicts were reported during the year.

WHISTLE BLOWER POLICY

The Group has established a comprehensive whistle-blower policy in accordance with Section D.6.4 of the Code of Best Practice on Corporate Governance (2023). This policy provides an effective and secure mechanism for staff members and other stakeholders to disclose any concerns related to ethics, compliance, or other organisational matters. By ensuring that the process is both transparent and confidential, the policy encourages individuals to come forward with concerns without fear of exposure or retribution.

Under this policy, any person who discloses concerns in good faith is protected from retaliation or adverse consequences. This provision aligns with the principle outlined in D.6.4 of the Code, which emphasises the importance of safeguarding whistle-blowers to promote ethical behavior and transparency within the organisation. Furthermore, the policy outlines a clear and structured reporting procedure, specifying the steps involved in submitting concerns and the process by which such reports will be handled.

The procedure ensures that all reports are treated with the highest level of confidentiality and are thoroughly investigated in a fair and unbiased manner. This system not only complies with regulatory standards but also reinforces the Group's commitment to fostering an ethical corporate culture where transparency and accountability are prioritised. By adhering to these principles, the policy builds trust among employees and stakeholders, encouraging a culture where ethical concerns can be raised and addressed promptly and effectively.

BOARD SUB-COMMITTEES

The Board has delegated some of its functions to Board Sub-Committees, whilst retaining final decision rights. Members of these Sub-Committees focus on their designated areas of responsibility and impart knowledge and oversight in areas where they have greater expertise. The Four Board Sub-Committees are as follows:

- i. Audit Committee
- ii. Related Party Transactions Review Committee
- iii. Remuneration Committee
- iv. Nomination and Governance Committee

Sub-Committee	Areas of Oversight
Audit Committee	➤ Evaluating the integrity of financial statements and adequacy of internal controls ➤ Oversight of external audit processes, including appointment, independence, and performance of external auditors ➤ Oversight of internal audit functions and reviewing internal audit plans and findings ➤ Monitoring effectiveness of risk management systems and internal control frameworks ➤ Ensuring compliance with legal and regulatory requirements related to financial reporting

CORPORATE GOVERNANCE

Sub-Committee	Areas of Oversight
Related Party Transactions Review Committee	➤ Reviewing, monitoring, and approving transactions with related parties as defined under LKAS 24 and CSE Listing Rules ➤ Ensuring related party transactions are conducted on an arm's length basis and in the best interests of the Company. ➤ Disclosing related party transactions in accordance with regulatory requirements ➤ Advising the Board on necessary measures to mitigate conflicts of interest
Remuneration Committee	➤ Establishing and reviewing the remuneration policy for the Group, with particular focus on Key Management Personnel ➤ Setting goals, targets, and performance benchmarks for Key Management Personnel ➤ Reviewing and approving annual salary increments, bonuses, and long-term incentive schemes ➤ Ensuring remuneration structures promote long-term shareholder value and align with market best practices
Nomination and Governance Committee	➤ Identifying, evaluating, and recommending candidates for Board and senior management appointments ➤ Overseeing Board succession planning and ensuring an appropriate mix of skills, diversity, and independence ➤ Monitoring Board and Committee performance evaluations and recommend improvements. ➤ Reviewing and updating corporate governance policies to align with emerging best practices ➤ Ensuring continuous professional development and training for Directors

AUDIT COMMITTEE

In compliance with Section 9.13.3 of the Colombo Stock Exchange (CSE) Listing Rules and Section D.3.1 of the Code of Best Practice on Corporate Governance (2023) issued by the Institute of Chartered Accountants of Sri Lanka, ACL Cables PLC ensures the proper constitution of its Audit Committee to uphold the principles of independence, accountability, and sound oversight.

The Audit Committee is entrusted with assisting the Board in fulfilling its oversight responsibilities relating to the integrity of the Company's financial reporting, the effectiveness of the internal control and risk management framework, the performance and independence of the internal and external audit functions, and compliance with applicable legal and regulatory requirements. Through its independent oversight, the Committee supports the Board in promoting transparency, accountability, and high standards of corporate governance.

The composition of the Audit Committee of ACL Cables PLC is in full compliance with the applicable regulatory requirements, including the Colombo Stock Exchange (CSE) Listing Rules. As mandated, the Committee comprises a minimum of three Directors, with at least two being Independent Non-Executive Directors and does not include Executive Directors of the Company. The Committee is chaired by an Independent Non-Executive Director appointed by the Board, ensuring independent judgement and effective oversight in the discharge of its responsibilities.

Mr. W. P. Kusal Jayawardana relinquished his position as Chairman of the Audit Committee with effect from 1 April 2026, to take up the role of Executive Director/Group Chief Executive Officer of the ACL Cables Group.

Consequent to this change, Mr. Nissanka Bandara Weerasekera was appointed as the Chairman of the Audit Committee with effect from 1 April 2026. Further details of the Audit Committee are given in their report on page 109 to 110.

RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

In accordance with the rule no 9.14.1 of listing rules of the Colombo Stock Exchange and the Section D.5 of the Code of Best Practice on Corporate Governance 2023, ACL Cables PLC has established a Related Party Transactions Review Committee (RPTRC) to ensure that all related party transactions are conducted in a fair, transparent, and arm's length manner. The Committee is tasked with reviewing, approving, and recommending related party transactions in line with the regulatory requirements, thereby safeguarding the interests of shareholders, and upholding good governance practices.

The composition of the Related Party Transaction Review Committee (RPTRC) of ACL Cables PLC is in full compliance with applicable regulatory requirements, including the Colombo Stock Exchange (CSE) Listing Rules. As mandated, the Committee comprises a minimum of three Directors, with at least two being Independent Non-Executive Directors. At the discretion of the Board, Executive Directors may also serve as members. The Committee is chaired by an Independent Non-Executive Director appointed by the Board, ensuring robust oversight and independence in the review of related party transactions.

Mr. W. P. Kusal Jayawardana relinquished his position as Chairman of the Related Party Transaction Committee with effect from 1st April 2026, to take up the role of Executive Director/Group Chief Executive Officer of the ACL Cables Group.

Consequent to this change, Mr. Nissanka Bandara Weerasekera was appointed as the Chairman of the Related Party Transaction Committee with effect from 1st April 2026.

Further details of the Related Party Transactions Review Committee are given in their report on page 112 to 113 (RPTRC Report).

REMUNERATION COMMITTEE

The Remuneration Committee of ACL Cables PLC is constituted in accordance with Section B.2 of the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and Rule No. 9.12 of the Listing Rules of the Colombo Stock Exchange. The Committee is entrusted with the responsibility of determining and recommending to the Board a fair, transparent, and competitive remuneration policy for the Company's Executive Directors and Senior management, in alignment with the long-term interests of shareholders and other key stakeholders.

In keeping with corporate governance principles, the Committee comprises a minimum of three Directors, with at least two being Independent Non-Executive Directors. Executive Directors do not serve as members, and the Committee is chaired by an Independent Non-Executive Director, duly appointed by the Board. The composition during the year reflected these governance standards and was structured to safeguard objectivity and independence in the decision-making process.

Further details of the Remuneration Committee are given in their report on page 111.

NOMINATION AND GOVERNANCE COMMITTEE

The Nomination and Governance Committee of ACL Cables PLC is constituted in accordance with Sections A.7 and A.8 of the Code of Best Practice on Corporate Governance (2023) issued by the Institute of Chartered Accountants of Sri Lanka, and Rule 9.11.1 of the Listing Rules of the Colombo Stock Exchange.

In line with the regulatory requirements, the Nomination and Governance Committee is structured to comprise a minimum of three Directors, of whom at least two are Independent Directors, and no Executive Director is eligible to serve as a member. Furthermore, an Independent Director must be appointed as Chairperson of the Committee by the Board of Directors.

The Committee met as required during the year to review Board succession plans, assess the independence and performance of Directors, and ensure that the Board possesses the necessary skills and diversity to meet the Company's long term strategic objectives. The Committee remains committed to fostering governance excellence and supporting a high-performing Board structure in the best interest of all stakeholders.

Further details of the Nomination and Governance Committee are given in their report on page 114.

CHANGE IN STATUS OF A DIRECTOR AND COMMITTEE MEMBERSHIPS

With effect from 1 April 2026, Mr. W. P. Kusal Jayawardana relinquished his position as an Independent Non-Executive Director upon his appointment as Executive Director / Group Chief Executive Officer of the Company. Following this change in status, the composition of the Board Committees was revised to ensure continued compliance with applicable regulatory requirements and the Company's corporate governance framework.

Accordingly, the memberships of the Audit Committee, Related Party Transactions Review Committee, Remuneration Committee, and Nomination and Governance Committee were reconstructed with effect from 1 April 2026 for the 2026/27 Financial Year.

CODE OF BUSINESS CONDUCT AND ETHICS

The Company has adopted a Code of Business Conduct and Ethics applicable to its Directors, Senior management & its employees, promoting integrity and ethical leadership. ACL Cables PLC also aligns its

governance practices with the Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and complies with the Listing Rules of the Colombo Stock Exchange.

LIST OF POLICIES ESTABLISHED AND MAINTAINED BY ACL CABLES PLC IN COMPLIANCE WITH CSE LISTING RULE NO. 9.2.1

In line with the Listing Rule No. 9.2.1 of the Colombo Stock Exchange (CSE) and in adherence to the principles outlined in the Code of Best Practice on Corporate Governance 2023 issued by the Institute of Chartered Accountants of Sri Lanka (CA Sri Lanka), ACL Cables PLC has adopted a comprehensive suite of governance policies. These policies serve as a cornerstone for the Company's commitment to integrity, accountability, and transparency in all aspects of its operations.

Each policy has been designed to reflect global and local governance standards and to guide the Board of Directors and management in upholding their fiduciary responsibilities. The implementation and periodic review of these policies ensure that the Company remains resilient, ethically driven, and aligned with the expectations of our stakeholders, regulators, and the capital markets.

- (a) Policy on matters relating to the Board of Directors
- (b) Policy on Board Committees
- (c) Policy on Corporate Governance, Nominations and Re-election
- (d) Policy on Remuneration
- (e) Policy on Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities.
- (f) Policy on Risk Management and Internal Controls
- (g) Policy on Relations with Shareholders and Investors
- (h) Policy on Environmental, Social and Governance Sustainability
- (i) Policy on Control and Management of Company Assets and Shareholder Investments

CORPORATE GOVERNANCE

- (j) Policy on Corporate Disclosures
- (k) Policy on Whistleblowing
- (l) Policy on Anti-Bribery and Corruption

IT GOVERNANCE & CYBERSECURITY

As technology becomes increasingly integral to business operations, effective IT governance and cybersecurity are essential to operational resilience, business continuity and stakeholder confidence. ACL Cables PLC recognises that the responsible oversight of information, technology and digital assets is critical to supporting sustainable growth, operational efficiency and long-term value creation.

With reference to Section G of the Code of Best Practice on Corporate Governance (2023), which addresses Internet of Things and Cybersecurity, the Board oversees the Company's approach to identifying and managing technology and cybersecurity risks. Management is responsible for implementing the approved technology strategy, cybersecurity controls, policies and risk-mitigation measures and for reporting material technology and cybersecurity matters to the Board and its relevant committees.

The Company adopts a structured approach to IT governance encompassing:

- IT strategic planning and investment prioritisation;
- Cybersecurity and information-security risk management;
- Data protection and regulatory compliance;
- Technology architecture and infrastructure management;
- Management of technology vendors and service providers;
- Business continuity, data backup and disaster-recovery arrangements;
- User-access management and internal controls; and
- Monitoring of technology performance, risks and improvement initiatives.

During the year, the Company continued to strengthen its technology environment and

governance practices to support evolving operational requirements and digital-transformation initiatives. Technology-related risks and priorities are assessed within the Company's broader governance and risk-management framework, with appropriate matters escalated for management and Board-level consideration.

Through appropriate oversight, risk management and continuous improvement, ACL Cables PLC seeks to safeguard its information assets, strengthen organisational resilience and use technology responsibly to enhance operational performance and create sustainable stakeholder value.

CYBERSECURITY AND DATA PROTECTION

ACL Cables PLC recognises that cybersecurity threats may create operational, financial, regulatory and reputational risks. The Company has established an Information Security Policy framework governing the protection and acceptable use of its information systems, technology infrastructure and information assets.

The framework addresses information-asset management, change management, data backup, user-access management, password security, network and infrastructure security, technology acquisition, cloud governance, physical security of the data center, disaster recovery, business continuity and incident management.

The principal measures established under the Company's information-security framework include:

- Control of access to information systems through user-registration, authorisation and de-registration procedures.
- Allocation of access rights according to business responsibilities and the principles of least privilege and need-to-know.

- Periodic review of user-access rights based on the sensitivity of information and the criticality of the relevant systems.
- Password-management requirements, account-protection controls and multi-factor authentication for applicable systems and user accounts.
- Network-security measures, including firewalls, network-access controls, malware and endpoint - protection, system patching, server hardening and audit logging, where appropriate.

Protection of confidential and sensitive information through access controls, encryption and other security measures appropriate to the nature of the information.

- Cloud-governance controls covering the authorisation, configuration, access, monitoring and security of cloud-based systems and services.
- Physical and environmental controls protecting the Company's data-center facilities and critical technology assets.
- Defined backup requirements, retention periods and backup-testing procedures intended to support the recovery and availability of critical information.
- Disaster-recovery and business-continuity arrangements addressing identified threats and potential disruptions to information systems.
- Processes for reporting, recording, prioritising, escalating, resolving and closing IT-related incidents.
- Security requirements governing employees, contractors, consultants, and third-party vendors who have access to the Company's information assets.
- Periodic independent reviews or assessments of selected information-security controls and practices.
- Information-security awareness and training activities for employees to promote responsible use of information systems and awareness of cyber risks.

The Company requires personal data and other sensitive information to be processed and stored in accordance with applicable laws and internal policies. ACL Cables PLC continues to review and strengthen its data-governance, privacy and information-security arrangements in support of compliance with the Personal Data Protection Act, No. 9 of 2022, as amended by the Personal Data Protection (Amendment) Act, No. 22 of 2025, and other applicable legal and regulatory requirements.

MONITORING, EVALUATION & REPORTING

In line with the best governance practices, the Company has implemented mechanisms for regular monitoring and evaluation of IT-related risks and controls. Key performance indicators (KPIs), audit findings, compliance reports, and risk analytics are reviewed by senior management and reported to the Board through the Audit Committee on a quarterly basis.

During the year under review, no material cybersecurity incidents were reported, and systems operated without significant disruption. The Company continues to invest in new technologies and control systems to remain resilient against evolving cyber threats.

ACL Cables PLC remains committed to strengthening its IT governance environment in support of operational excellence, regulatory compliance, and long-term value creation for its stakeholders.

SUSTAINABILITY: ESG RISKS AND OPPORTUNITIES

At ACL Cables PLC, sustainability is integral to our corporate strategy, governance framework, and value creation model. We are committed to identifying, managing, and disclosing Environmental, Social and Governance (ESG) risks and opportunities in alignment with Section H of the Code of Best Practice on Corporate Governance (2023) issued by the Institute of Chartered Accountants of Sri Lanka, and the Listing Rules of the Colombo Stock Exchange, and the requirements of SLFRS S1 – General

Requirements for Disclosure of Sustainability-related Financial Information and SLFRS S2 – Climate-related Disclosures.

Further details relating to sustainability-related risks and opportunities are provided in the Sustainability Report on pages 30 to 33.

GOVERNANCE AND OVERSIGHT

The Board of Directors has overall responsibility for overseeing sustainability-related matters and ensuring that sustainability considerations are integrated into the Company's strategy and risk management processes. The Audit Committee supports the Board through its oversight of sustainability-related risks, internal controls, and reporting processes, while Management is responsible for implementing sustainability initiatives and monitoring sustainability-related performance.

Sustainability-related risks and opportunities, including climate-related matters, are assessed and managed as part of the Company's enterprise risk management framework to support informed decision-making, long-term resilience, and sustainable value creation for stakeholders.

During the financial year 2025/26, the Company continued to enhance its sustainability reporting practices and has presented comparative sustainability-related information in accordance with the disclosure requirements of SLFRS S1 and SLFRS S2. This facilitates consistency and comparability of sustainability information in the company and also across the Group and supports the reporting requirements applicable to the group.

CONTINUOUS IMPROVEMENT AND FUTURE COMMITMENTS

Recognizing that sustainability-related risks, opportunities, and stakeholder expectations continue to evolve, ACL Cables PLC remains committed to the continuous enhancement of its ESG practices. Key focus areas include:

- Periodically reviewing and strengthening ESG policies, procedures, and governance mechanisms.
- Establishing measurable sustainability objectives and monitoring progress against defined targets.
- Enhancing employee awareness and capabilities through training and capacity-building programs on ESG-related matters.
- Identifying opportunities to improve resource efficiency, reduce environmental impacts and support sustainable growth.
- Strengthening sustainability-related disclosures and data management processes in line with evolving regulatory and reporting requirements, including SLFRS S1 and SLFRS S2.

By embedding ESG considerations into its business operations and decision-making processes, ACL Cables PLC aims to enhance resilience, support innovation, and create sustainable value for shareholders and other stakeholders while contributing positively to society and the environment.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION

ACL Cables PLC remains dedicated to maintaining strong, transparent, and mutually beneficial relationships with all stakeholders. Guided by our core values and sound governance practices, we have implemented a structured stakeholder management approach that leverages multiple communication channels to address the specific interests of each stakeholder group.

INSTITUTIONAL AND OTHER INVESTORS

The Company acknowledges the important role of institutional investors in promoting good corporate governance. All shareholders are invited to actively participate in the Annual General Meeting (AGM), which serves as a key forum for dialogue, the presentation of financial results, and constructive feedback. Through these efforts, the Company continues to foster transparency, accountability, and stakeholder confidence.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE CHECKLIST

Statement of Compliance to the Companies Act No. 7 of 2007

Mandatory Provisions - Fully Compliant

Sections	Compliance Status	Reference
168 (1) (a) The nature of the business of the Company or subsidiaries or classes of business in which it has an interest together with any change thereto	Yes	Group Structure
168 (1) (b) Signed financial statements of the Group and the Company	Yes	Audited Financial Statements
168 (1) (c) Auditors' Report on financial statements	Yes	Independent Auditors' Report
168 (1) (d) Accounting policies and any changes thereto	Yes	Notes to the Financial Statements
168 (1) (e) Particulars of the entries made in the Interests Register	Yes	Report of Directors
168 (1) (f) Remuneration and other benefits paid to Directors of the Company	Yes	Notes to the Financial Statements
168 (1) (g) Corporate donations made by the Company	Yes	Notes to the Financial Statements
168 (1) (h) Information on the Directorate of the Company and its subsidiaries during and at the end of the accounting period	Yes	Group Structure
168 (1) (i) Amounts paid/payable to the External Auditor as audit fees and fees for other services rendered	Yes	Notes to the Financial Statements
168 (1) (j) Auditors' relationship or any interest with the Company and its Subsidiaries	Yes	Independent Auditors Reports
168 (1) (k) Acknowledgement of the contents of this Report and signatures on behalf of the Board	Yes	Financial Statements / Annual Report of the Board of Directors
168 (2) Information specified in paragraphs (b) to (j) of subsection (1) in relation to Subsidiaries	Yes	Financial Statements / Annual Report of the Board of Directors

Statement of Compliance Under Section 7 of the Listing Rules of the Colombo Stock Exchange (CSE) on Annual Report Disclosure

Mandatory Provisions - Fully Compliant

Rule	Requirement	Compliance Status	Reference within the Report
7.5. a (i)	The Annual Report shall comply with applicable regulatory requirements and include audited Financial Statements prepared in accordance with Sri Lanka Accounting Standards and Sri Lanka Auditing Standards, together with disclosures prepared in accordance with Sri Lanka Sustainability Disclosure Standards.	Yes	Independent Auditors Reports
7.6 (i)	Names of the Directors of the Entity with profiles	Yes	Board of Directors
7.6 (ii)	Principal activities of the entity and its subsidiaries during the year, and any changes therein	Yes	Group Structure
7.6 (iii)	The names and the number of shares held by the 20 largest holders of voting and non-voting shares and the percentage of such shares held	Yes	Information of Shareholders
7.6 (iv)	The float adjusted market capitalisation, public holding percentage (%), number of public shareholders and under which option the Listed Entity complies with the Minimum Public Holding requirement	Yes	Information of Shareholders
7.6 (v)	A statement of each Director's holding and Chief Executive Officer's holding in shares of the Entity at the beginning and end of each financial year	Yes	Report of the Directors
7.6 (vi)	Information pertaining to material foreseeable risk factors of the Entity	Yes	Risk Management
7.6 (vii)	Details of material issues pertaining to employees and industrial relations of the Entity	Yes	Human Capital
7.6 (viii)	Extents, locations, valuations, and the number of buildings of the Entity's land holdings and investment properties	Yes	Notes to the Financial Statements
7.6 (ix)	Number of shares representing the Entity's stated capital	Yes	Notes to the Financial Statements
7.6 (x)	A distribution schedule of the number of holders in each class of equity securities, and the percentage of their total holdings	Yes	Information of Shareholders
7.6 (xi)	Financial ratios and market price information	Yes	Information of Shareholders
7.6 (xii)	Significant changes in the Company's or its subsidiaries' fixed assets, and the market value of land, if the value differs substantially from the book value as at the end of the year	Yes	Notes to the Financial Statements
7.6 (xiii)	Details of funds raised through a public issue, rights issue, and a private placement during the year	Not Applicable	The Company had no public issue, rights issue or private placement during the year under review
7.6 (xiv)	Information in respect of Employee Share Ownership or Stock Option Schemes	Not Applicable	The Company had no share option/purchase schemes made available during the year under review
7.6 (xv)	Disclosures pertaining to Corporate Governance practices in terms of Section 9 of the rule.	Yes	Corporate Governance
7.6 (xvi)	Related Party transactions exceeding 10 per cent of the equity or 5 per cent of the total assets of the Entity as per audited financial statements, whichever is lower	Not Applicable	Notes to the Financial Statements

CORPORATE GOVERNANCE

Statement of Compliance Under Section 09 of the listing rules of The Colombo Stock Exchange (CSE) on Corporate Governance

Mandatory Provisions - Fully Compliant

Rule	Requirement	Compliance Status	Details
9.1.3	Statement confirming the extent of compliance with the Corporate Governance Rules	Yes	Chairman's Statement on Corporate Governance
9.2.1	Listed entities shall establish and maintain the following policies and disclose the existence of such policies together with the details relating to the implementation of such policies by the entity on its website. (a) Policy on the matters relating to the Board of Directors (b) Policy on Board Committees (c) Policy on Corporate Governance, Nominations and Re-election (d) Policy on Remuneration (e) Policy on Internal Code of Business Conduct and Ethics for all Directors and employees, including policies on trading in the Entity's listed securities (f) Policy on Risk Management and Internal Controls (g) Policy on Relations with Shareholders and Investors (h) Policy on Environmental, Social and Governance Sustainability (i) Policy on Control and Management of Company Assets and Shareholder Investments (j) Policy on Corporate Disclosures (k) Policy on Whistle-blowing (l) Policy on Anti-Bribery and Corruption	Yes	All required policies have been available in the company website.
9.2.2	Any waivers from compliance with the Internal Code of business conduct and ethics or exemptions granted	Not Applicable	Company will be on alert regarding such events and will be disclosed when required.
9.2.3	(I) List of policies in place as per Rule 9.2.1, with reference to website (II) Any changes to policies adopted.	Yes	Corporate Governance
9.2.4	Listed entities shall make available all such policies to shareholders upon a written request being made for any such Policy	Yes	Policies will be available to shareholders upon written request.
9.3.1	Listed entities shall ensure that the following Board committees are established and maintained at a minimum and are functioning effectively. The said Board committees at minimum shall include; (a) Nominations and Governance Committee (b) Remuneration Committee (c) Audit Committee (d) Related Party Transactions Review Committee.	Yes	The Company has established all the mandatory sub committees.

Rule	Requirement	Compliance Status	Details
9.3.2	Listed entities shall comply with the composition, responsibilities and disclosures required in respect of the above-Board committees as set out in these Rules	Yes	Please refer to the Board sub committees Report in of this report and sections 9.10, 9.11, 9.12, 9.13 & 9.14 below.
9.3.3	The Chairperson of the Board of Directors of the listed entity shall not be the Chairperson of the Board committees referred to in Rule 9.3.1 above	Yes	The Chairman of the Board does not act as chairman of any committee.
9.4.1	Listed entities shall maintain records of all resolutions and the following information upon a resolution being considered at any General Meeting of the Entity. The Entity shall provide copies of the same at the request of the Exchange and/or the SEC. (a) The number of shares in respect of which proxy appointments have been validly made; (b) The number of votes in favor of the resolution (c) The number of votes against the resolution; and (d) The number of shares in respect of which the vote was directed to be abstained	Yes	The Company Secretary maintains records of the said information and the Company shall provide copies of the same at the request of the CSE & SEC.
9.4.2	Communication and relations with shareholders and investors: (a) Listed entities shall have a policy on effective communication and relations with shareholders and investors (b) Listed entities shall disclose the contact person for such communication. (c) The policy on relations with shareholders and investors shall include a process to make all Directors aware of major issues and concerns of shareholders	Yes	Policies on relations with shareholders and investors are available. The management have taken steps to publish the Company policy on effective communication and relations with shareholders on the website. The contact person for such communication please refer inner back cover
9.5.1	Listed entities must establish and maintain a formal policy for their Board of Directors	Yes	The Company maintains a formal policy in this regard covering the areas specified in section 9.5.1 under the policies on the matters relations to Board of Directors.
9.5.2	Listed entities shall confirm compliance with the requirements of the policy referred to in Rule 9.5.1 above in the Annual Report and provide explanations for any non-compliance with any of the requirements with reasons for such non-compliance and the proposed remedial action.	Yes	The entity confirms the compliance of section 9.5.1 in the Annual Report for the year ended 31 March 2026.
9.6.1	The Chairperson of every Listed Entity shall be a Non- Executive Director and the positions of the Chairperson and CEO shall not be held by the same individual, unless otherwise a SID is appointed by such Entity in terms of Rule 9.6.3 below.	Yes	The Chairman of the Company is a Executive Director and a SID has been appointed. Please refer to the SID Report.

CORPORATE GOVERNANCE

Rule	Requirement	Compliance Status	Details
9.6.2	A Listed Entity that is unable to comply with Rule 9.6.1 above shall make a Market Announcement within a period of one (1) month from the date of implementation of these Rules or an immediate Market Announcement from the date of non-compliance.	Not Applicable	The Company complied with the Rule 9.6.1
9.6.3 & 9.6.4	The requirement for a SID and the rationale	Yes	An SID has been appointed. Please refer to the SID Report.
9.7.1, 9.7.3 & 9.7.4	The listed entities shall take necessary steps to ensure that their Directors and the CEO are, at all times, fit and proper persons as required in terms of these Rules: In evaluating fitness and propriety of the persons referred in these Rules, listed entities shall utilise the "Fit and Proper Assessment Criteria"	Yes	The Company obtains declarations from Directors on an annual basis confirming that each of them have continuously satisfied the fit and proper assessment criteria as per the Rule.
9.7.2	Listed entities shall ensure that persons recommended by the Nominations and Governance Committee as Directors are fit and proper as required in terms of these Rules before such nominations are placed before the shareholders' meeting or appointments are made.	Yes	Nominations and Governance Committee has been established
9.7.5	a) A statement that the Directors and CEO of the Entity satisfy the Fit and proper assessment criteria stipulated in the CSE b) Any non-compliance and remedial actions taken by the Entity	Yes	Fit and proper assessment section under Corporate Governance.
9.8.1	The Board of Directors of a listed entity shall, at a minimum, consist of five (05) Directors	Yes	The Board consists of 09 Directors as of 31st March 2026.
9.8.2	Minimum Number of Independent Directors	Yes	The Board consists of Three Independent Non-Executive Directors.
9.8.3 & 9.8.5	The Board of Directors of listed entities shall require: (a) Each Independent Director to annually submit a signed and dated declaration of their "independence" or "non-independence" (b) Annually assess the "independence" or "non-independence" of each Independent Director based on their declaration and other available information (c) If the Board finds that the independence of an Independent Director is compromised according to the criteria in Rule 9.8.3, it should immediately issue a market announcement regarding this determination.	Yes	Please refer the Directors' Independence
9.9	Requirements to be complied in relation to the Alternative Director	Not Applicable	
9.10.1	Policy on the maximum number of directorships it's Board members shall be permitted to hold.	Yes	Policy disclosed in the Code of Business Conduct and Ethics section of the Annual Report

Rule	Requirement	Compliance Status	Details
9.10.2	Listed entities shall, upon the appointment of a new Director to its Board, make an immediate Market Announcement setting out the following; (i) a brief resume of such Director; (ii) his/her capacity of directorship; and (iii) Statement by the Entity indicating whether such appointment has been reviewed by the Nominations and Governance Committee of the Entity	Yes	Company published market announcement for the all-new director appointments
9.10.3	Listed entities shall make an immediate Market Announcement regarding any changes to the composition of the Board Committees referred to in Rule 9.3 above containing, at minimum, the details of changes including the capacity of directorship with the effective date thereof.	Yes	Company published market announcement for the all-composition changes in the board and the sub-committee appointments
9.10.4	Listed entities shall also disclose the following in relation to the Directors in the Annual Report: (a) name, qualifications and brief profile; (b) the nature of his/her expertise in relevant functional areas; (c) whether either the Director or Close Family Members has any material business relationships with other Directors of the Entity; (d) whether Executive, Non-Executive and/or independent Director; (e) the total number and names of companies in Sri Lanka in which the Director concerned serves as a Director and/or Key Management Personnel; (f) number of Board meetings of the Listed Entity attended during the year; (g) names of Board Committees in which the Director serves as Chairperson or a member; (h) Details of attendance of Committee Meetings of the Audit, Related Party Transactions Review, Nominations and Governance and Remuneration Committees. Such details shall include the number of meetings held and the number attended by each member.; and, (i) The terms of reference and powers of the SID	Yes	Please refer the Directors' profiles, Committee Meeting Reports, Committee meeting Attendance and SID Report
9.11.1	Listed entities shall have a Nominations and Governance Committee that conforms to the requirements set out in Rule 9.11 of these Rules.	Yes	Please refer the Report of the Nomination and Governance committee
9.11.2	Listed entities shall establish and maintain a formal procedure for the appointment of new Directors and re-election of Directors to the Board through the Nominations and Governance Committee.	Yes	The policy of the Board of Directors will stipulate such requirements
9.11.3	The Nominations and Governance Committee shall have written terms of reference clearly defining its scope, authority, duties, and matters pertaining to the quorum of meetings.	Yes	Please refer the Report of the Nomination and Governance committee

CORPORATE GOVERNANCE

Rule	Requirement	Compliance Status	Details
9.11.4	Composition of the Committee complied with as per section 9.11.4 the committee. 1 The members of the Nominations and Governance Committee shall; (a) comprise of a minimum of three (03) Directors of the Listed Entity, out of which a minimum of two (02) members shall be Independent Directors of the Listed Entity. (b) It should not comprise of Executive Directors of the Entity. 2 An Independent Director shall be appointed as the Chairperson of the Nominations and Governance Committee by the Board of Directors. 3 The Chairperson and the members of the Nominations and the Governance Committee shall be identified in the Annual Report of the Entity.	Yes	Please refer the Report of the Nomination and Governance committee
9.11.5	Functions of the Nomination and Governance Committee	Yes	Please refer the Report of the Nomination and Governance committee
9.11.6	Disclosures in Annual Report	Yes	Please refer the Report of the Nomination and Governance committee
9.12	Remuneration Committee	Yes	Please refer the Report of the Remuneration committee
9.12.2	Listed entities shall have a Remuneration Committee that conforms to the requirements set out in Rule 9.12 of these Rules	Yes	Please refer the Report of the Remuneration committee
9.12.3	Procedure for setting Executive Directors' remuneration	Yes	Formal procedure in place via the Remuneration Committee
9.12.4	Remuneration for Non-Executive Directors	Yes	Remuneration policy ensures independence and equity among Non-Executive Directors
9.12.5	Remuneration Committee shall have a written Terms of Reference clearly defining its scope, authority, duties and matters pertaining to the quorum of meetings	Yes	Terms of Reference approved and available for reference
9.12.6	Composition of the Remuneration Committee 1 The members of the Remuneration Committee shall; (a) comprise a minimum of three (03) Directors of the Entity, out of which a minimum of two (02) members shall be Independent Directors of the Listed Entity. (b) not comprised of Executive Directors of the Listed Entity. 2 An Independent Director shall be appointed as the Chairperson of the Remuneration Committee by the Board of Directors.	Yes	Please refer the Report of the Remuneration committee

Rule	Requirement	Compliance Status	Details
9.12.7	Functions 1 The Remuneration Committee shall recommend the Report on remuneration payable to the Executive Directors and CEO of the Listed Entity and/or equivalent position thereof to the Board of the Listed Entity which will make the final determination upon consideration of such recommendations. 2 The Remuneration Committee may engage any external consultant or expertise that may be considered necessary to ascertain or assess the relevance of the remuneration levels applicable to Directors and CEO.	Yes	Please refer the Report of the Remuneration Committee
9.12.8	Disclosure in Annual Report The Annual Report should set out the following: (a) Names of the Chairperson and members of the Remuneration Committee and the nature of directorships held by such members (or persons in the parent company's Remuneration Committee in the case of a group company); (b) A statement regarding the remuneration policy; and, (c) The aggregate remuneration of the Executive and Non-Executive Directors	Yes	Please refer the Remuneration Committee Report
9.13	Audit Committee	Yes	Please refer the Audit Committee Report
9.13.1	Where Listed entities do not maintain separate Committees to perform the Audit and Risk Functions, the Audit Committee of such Listed entities shall additionally perform the Risk Functions set out in Rule 9.13 of these Rules.	Yes	Please refer the Audit Committee Report
9.13.2	The Audit Committee shall have a written terms of reference clearly defining its scope, authority and duties	Yes	Please refer the Audit Committee Report
9.13.3	Composition 1 The members of the Audit Committee shall; (a) comprise of a minimum of three (03) directors of the Listed Entity, out of which a minimum of two (02) or a majority of the members, whichever higher, shall be Independent Directors. (b) not comprise of Executive Directors of the Entity. 2 The quorum for a meeting of the Audit Committee shall require that the majority of those in attendance to be independent directors. 3 The Audit Committee may meet as often as required provided that the Audit Committee compulsorily meets on a quarterly basis prior to recommending the financials to be released to the market. 4 An Independent Director shall be appointed as the Chairperson of the Audit Committee by the Board of Directors. 5 Unless otherwise determined by the Audit Committee, the CEO and the Chief Financial Officer (CFO) of the Listed Entity shall attend the Audit Committee meetings by invitation. 6 The Chairperson of the Audit Committee shall be a Member of a recognised professional accounting body.	Yes	Please refer the Audit Committee Report and Directors' Profiles

CORPORATE GOVERNANCE

Rule	Requirement	Compliance Status	Details
9.13.4	Functions of the Audit Committee	Yes	Please refer the Audit Committee Report
9.13.5	Disclosures in Annual Report	Yes	Please refer the Audit Committee Report
9.14	Board Related Party Transactions Review Committee	Yes	Please refer the Report of the Related Party Transactions Review Committee
9.14.1	Listed entities shall have a Related Party Transactions Review Committee (RPT) that conforms to the requirements set out in Rule 9.14 of these Rules	Yes	Please refer the Report of the Related Party Transactions Review Committee
9.14.2	The Related Party Transactions Review Committee (RPT) shall comprise a minimum of three (03) Directors of the Entity, out of which two (02) members shall be Independent Directors of the Listed Entity. It may also include executive directors, at the option of the Entity. An Independent Director shall be appointed as the Chairperson of the Committee	Yes	Please refer the Report of the Related Party Transactions Review Committee
9.14.3	Functions of the Related Party Transaction Review Committee	Yes	Please refer the Report of the Related Party Transactions Review Committee
9.14.4	Compliance for the general requirements set out in the rule	Yes	Please refer the Report of the Related Party Transactions Review Committee
9.14.5	Rule of Reviewing of Related Party Transactions by the Related Party Transactions Review Committee	Yes	Please refer the Report of the Related Party Transactions Review Committee
9.14.6	Shareholder Approval for the transactions as Specified by the Rules 9.14.6.(1) - 9.14.6.(3) - 9.14.9	Yes	No Transactions were occurred as specified in Sections 9.14.6, 9.14.9
9.14.7	Disclosures	Yes	Entity has been made relevant disclosures as required by the section.
9.14.8	Disclosures in Annual Report	Yes	Please refer the Report of the Related Party Transactions Review Committee
9.17 (i)	Directors have disclosed all material interests in contracts and have refrained from voting when materially involved	Yes	Report of the Directors
9.17 (ii)	Directors have conducted a review of the internal controls and obtained reasonable assurance of their effectiveness and adherence	Yes	Corporate Governance Note
9.17 (iii)	Directors are aware of laws, rules and regulations and their changes particularly to listing rules and applicable capital market provisions	Yes	Report of the Directors
9.17 (iv)	Disclosure of material non-compliance with laws/regulations and fines by relevant authorities where the entity operates	Not Applicable	Corporate Governance

Compliance With the Code of Best Practice on Corporate Governance Issued by the Institute of The Chartered Accountants (CA Sri Lanka In 2023)

Voluntarily provisions

Code Ref.	Requirement	Status of Compliance	Level of Compliance/ Reference within the Report
A. 1	An Effective Board should direct, lead and control the company		
A. 1.1	The board should meet regularly. Board meetings should be held at least once in every quarter of a financial year	Yes	The Board generally meets on monthly basis. Accordingly, 11 Board Meetings were scheduled annually to determine the Company's strategic direction, review the Company's operational and financial performances and to provide insight. Apart from taking decisions at Board meetings, the Board also takes decisions via circular resolutions which are required to be signed by all the Directors. The attendance at Board meetings held during the financial year is set out on Board and subcommittee meeting attendance
A. 1.2	Role and Responsibilities of the Board	Yes	Role and responsibilities of the Board is set out in the Board of Directors section.
A. 1.3	The board collectively, and directors individually, must act in accordance with the laws of the country. Independent professional advice	Yes	The Board collectively and the Directors individually act in accordance with the laws of the country of operation which are applicable to the business enterprise. The Board of Directors ensures that procedures and processes are in place to ensure that the Company complies with all applicable laws and regulations. A procedure has been established for Directors to seek independent professional advice from external parties when necessary at the expense of the Company. There were instances during the financial year under review that Board members sought such advice which were attended to by the Company.
A. 1.4	Access to advise and services of the Company Secretary	Yes	The Directors have access to the advice and services of the Board Secretary. The Board Secretary ensures that Board procedures, relevant statutory obligations and other applicable rules and regulations are complied with. The Board Secretary had provided the Board with support and advice relating to Corporate Governance matters, Board procedures, and applicable rules and regulations during the financial year. The Board Secretary ensures that the Board members are provided with timely and accurate information to fulfill their duties. The appointment and removal of the Board Secretary is a decision taken by the Board as a whole.
A. 1.5	All directors should bring independent judgment to bear, in discharging their duties and responsibilities.	Yes	The Directors exercise independent judgment in all decisions pertaining to strategy, performance, resource allocation and standards of business conduct. Non-Executive Directors are responsible for bringing independent and objective judgment and scrutinising the recommendations/proposals made by the corporate management led by the Managing Director on issues of strategy, performance, resource utilisation and business conduct.

CORPORATE GOVERNANCE

Code Ref.	Requirement	Status of Compliance	Level of Compliance/ Reference within the Report
A.1.6	Dedicate adequate time and effort to matters of the Board and the Company	Yes	The members of the Board dedicate adequate time and effort to fulfill their duties and responsibilities as Directors of the Company. In addition to attending Board meetings, they have attended Sub-Committee meetings and have also contributed to decision making through circular resolutions where necessary. The composition of Board Sub-Committees and meeting attendance are mentioned under Board and subcommittee meeting attendance.
A.1.7	Calls for resolutions by at least 1/3rd of Directors	Yes	Any Director can call for a resolution to be presented to the Board if deemed necessary.
A.1.8	Board induction and Training	Yes	The Board recognises the need for continuous training and expansion of knowledge and undertakes such professional development as they consider necessary in assisting them to carry out their duties as Directors. Directors are therefore encouraged to participate in continuous professional and self-development activities. In addition, an induction programme is in place for newly appointed Directors to familiarise them with the Company's business operation and internal control system.
A.2	Chairman and CEO	Yes	There should be a clear division of responsibilities between the Chairman and the Chief Executive Officer to ensure a balance of power and authority, in such a way that any individual has no unfettered powers of decisions. The roles of the Chairman and Managing Director are segregated. The Chairman's main responsibility is to lead, direct and manage the Board to ensure that it operates effectively and fully discharges its legal and regulatory responsibilities. The Managing Director is responsible for the day-to-day operations of the Company and the Group.
A.3	Chairman's role in preserving good corporate governance	Yes	The Chairman should lead and manage the Board, ensuring that it discharges its legal and regulatory responsibilities effectively and fully, and preserves order, and facilitates the effective discharge of the Board function. The Chairman chairs the Board and facilitates the effective discharge of Board proceedings. All the Directors are encouraged to participate in decision making and their views are obtained to ensure that the Board functions in an efficient manner which is beneficial to the stakeholders and the Company. The role of the Managing Director is mentioned in the Role of the Chairman and MD.
A.4	Availability of financial acumen	Yes	The Board should ensure the availability within those with sufficient financial acumen and knowledge to offer guidance on matters of finance. The Board is equipped with members having sufficient financial acumen and knowledge. Directors' qualification and experience are set out in the Board of Directors.

Code Ref.	Requirement	Status of Compliance	Level of Compliance/ Reference within the Report
A.5	Board Balance	Yes	There should be a balance of Executive and Non-Executive Directors so that no individual or small group of individuals can dominate the Board's decision-making. The Board Comprises of 03 Executive Directors and 06 Non-Executive Directors. Each of them brings vast experience and the ability to exercise independence and judgment when taking informed decisions.
A.5.1	The Board should include sufficient number of NEDs	Yes	The Board consists of the majority of NEDs where 6 are NEDs out of 9.
A.5.2	If the Board includes only 3 NEDs, they should be independent	Not Applicable	
A.5.3	Independence of Directors	Yes	Independent Directors are independent of management and free of business dealings that may be perceived to materially interfere with the exercise of their unfettered and independent judgment.
A.5.4	Annual declaration of independence by Directors	Yes	Independent Directors have submitted written declarations of their independence as required by Schedule C of the Code and Section 9.8.5 (a) of the Listing Rules.
A.5.5	Annual determination of independence of NEDs	Yes	The Board considers Non-Executive Directors' independence on an annual basis and concludes for the financial year that each of them continues to be free from any business or other relationship that could reasonably be perceived to materially interfere with the exercise of their unfettered and independent judgment.
A.5.6	Alternate Directors	Not Applicable	
A.5.7 & A.5.8	Senior Independent Director (SID)	Yes	A Senior Independent Director (SID) has been appointed by the Board as the Chairman and the Managing Director are close family members and Chairman being an Executive Director.
A.5.9	The chairman should hold meetings with the non-executive directors	Yes	Periodic meetings held without Executive Directors present.
A.5.10	Recording of dissent in minutes	Yes	All concerns raised by the Directors on matters of the Company and wished to be recorded have been duly recorded in the Board minutes with sufficient details.
A.6	Supply of Information	Yes	Management should provide time-bound information in a form and of quality appropriate to enable the Board to discharge its duties. Financial and non-financial information are analysed and presented to the Board to make informed and accurate decisions.
A.7	Appointments to the Board and Re-election	Yes	A formal and transparent procedure should be followed for the appointment of new Directors to the Board. The Board assesses the suitability of the prospective nominees to the Board and approves the persons as "fit and proper" to serve as a member of the Board.
A.7.1	Nomination Committee and composition	Yes	Refer to Nomination Committee Report.

CORPORATE GOVERNANCE

Code Ref.	Requirement	Status of Compliance	Level of Compliance/ Reference within the Report
A.7.2	Annual assessment of Board composition	Yes	An assessment is made of the Board composition to ascertain whether the combined knowledge and experience of the Board matches the strategic demands facing the Company when considering new appointments to the Board.
A.7.3	A succession plan for the Chief Executive Officer and all key management	Yes	A formal succession plan is in place and reviewed regularly.
A.7.4	Disclosures on appointment of new directors	Yes	Details of new Directors are disclosed to the shareholders at the time of their appointment by way of public announcements to the Colombo Stock Exchange as well as in the Annual Report, along with a brief resume of the Director.
A.7.5.	Nomination Committee Report	Yes	Refer to Nomination Committee Report.
A.8	Directors to submit themselves for re-election	Yes	All Directors should submit themselves for re-election at regular intervals and at least once in every three years, and all Non-Executive Directors should be appointed for a specific term and subject to re-election.
A.8.2	All directors should be subject to election by shareholders at the first opportunity after their appointment	Yes	All directors are elected at the first opportunity and re-elected every three years in accordance with the Articles of Association.
A.9	Appraisal of Board and sub-Committee Performances	Yes	The Board should periodically appraise its own performance against the pre-set targets to ensure that the Board responsibilities are satisfactorily discharged. The Board carries out an evaluation of its performance in the discharge of its key responsibilities. Each member of the Board and Board Sub-Committees carried out a self-assessment of his own effectiveness as an individual as well as effectiveness of the Board as a team.
A.10	Annual Report to disclose specified information regarding Directors	Yes	Details in respect of each Director should be disclosed in the Annual Report for the benefit of the shareholders and disclosed under the Board of Directors.
A.11	Appraisal of the CEO	Yes	The Board of Directors should at least annually assess the performance of the Chief Executive Officer. At the commencement of each financial year, the Board, in consultation with the Managing Director sets financial and non-financial goals based on the short, medium and long-term objectives of the Company. The annual appraisal of the Managing Director is carried out by the Board at pre-agreed performance targets at the end of each financial year.
B.	Directors' Remuneration		
B.1	Establish process for developing policy on executive and director remuneration.	Yes	The Remuneration Committee makes recommendations to the Board regarding a remuneration policy for the Executive Directors and the corporate management team that is consistent with the objectives of the Company.

Code Ref.	Requirement	Status of Compliance	Level of Compliance/ Reference within the Report
B.2	Level and Make Up of Remuneration	Yes	The Board makes assessments on the fact that the remuneration of Executive and the Non-Executive Directors reflects the market expectations and is sufficient to attract and retain the quality of Directors needed run the Company. The remuneration package of the Managing Director is structured to link rewards to corporate and individual performance, ensuring there is strong alignment between the short-term and long-term interests of the Company.
B.2.2	Remuneration committee and composition	Yes	The "Report of the Remuneration committee" which covers all areas of this Section.
B.2.6	Position levels of remuneration of the company	Yes	The "Report of the Remuneration committee" which covers all areas of this Section.
B.3	Disclosures related to remuneration in Annual Report	Yes	The Company should disclose the Remuneration Policy and the details of Remuneration of the Board as a whole. Remuneration Policy is disclosed in the Report of the Remuneration Committee. The total remuneration paid to the Directors is disclosed in Notes to the Financial Statements.
	➤ Remuneration Policy statement ➤ Aggregate Board remuneration paid ➤ HRRC report		
C	Relations with Shareholders		
C.1	Constructive use of the AGM and Other General Meetings	Yes	The Notice of the Annual General Meeting and the relevant documents are published and dispatched to the shareholders 15 working days prior to the meeting as required by Section 135(1) of the Companies Act No. 7 of 2007. The Company proposes a separate resolution for each item of business at the Annual General Meeting giving shareholders the opportunity to vote on each issue separately.
C.2	Communication with shareholders	Yes	The Company disseminates information pertaining to the performance of the Company through the publication of the Interim Financial Statements and the Annual Report in a timely manner. Information is provided to the shareholders prior to the Annual General Meeting to give them an opportunity to raise any issues relating to the business of ACL, either verbally or in writing prior to the Annual General Meeting. Immediate announcements are also made to the Colombo Stock Exchange on any information which is considered price sensitive. The Company Secretary could be contacted in relation to any shareholder matter.
C.3	Disclosure of major and material transactions	Yes	The Directors ensure that any transaction that would materially affect the net asset base of the Company or Group is communicated to the shareholders and required approvals are obtained in accordance with the Statutes. There were no major or material transactions during the year, which materially affected the net asset base of the Company.

CORPORATE GOVERNANCE

Code Ref.	Requirement	Status of Compliance	Level of Compliance/ Reference within the Report
D.	Accountability and Audit		
D. 1	Present a balanced and understandable assessment of the Company's financial position, performance, and prospects	Yes	ACL Cables PLC has reported a true and fair view of its financial position and performance for the year ended 31st March 2026 and at the end of each quarter of 2025/26 financial year. The Board ensures that the quarterly and annual Financial Statements of the Company and Group are prepared and published in compliance with the requirements of the Companies Act No. 7 of 2007, Sri Lanka Accounting Standards (LKASs and SLFRSs) and the Rules of the Colombo Stock Exchange.
D.1.1	Balanced Annual Report	Yes	
D.1.2	Balanced and understandable communication	Yes	
D.1.3	CEO/CFO declaration	Yes	The responsibility statement of the Managing Director and CFO has been set out declaring that the financial records of the Company have been properly maintained and are following relevant accounting standards and that the system of risk management and internal control operates effectively.
D.1.4	Directors' Report declarations	Yes	The "Report of the Board of Directors" which covers all areas of this Section.
D.1.5	Financial reporting -statement on board responsibilities Statement on internal control	Yes	The declarations required to be made by the Board are given in the Annual Report of the Board of Directors. "Statement of Directors' Responsibilities in relation to Annual Financial Statements" in preparation of the Financial Statements and the "Independent Auditors' Report"
D.1.6	Management Discussion & Analysis	Yes	A Management Discussion and Analysis.
D.1.7	Net Assets < 50%	Not Applicable	In the unlikely event of the net assets of the Company falling below 50% of Shareholders Funds the Board will summon an Extraordinary General Meeting (EGM) to notify the shareholders of the position and to explain the remedial action being taken. Likelihood of such an occurrence is remote.
D.1.8	Related Party Transactions	Yes	The Directors have instituted an effective and comprehensive system of Internal Controls for identifying, recording and disclosure of related party transactions. Steps have been taken by the Board to avoid any conflict of interest that may arise, in transacting with related parties. Further, the Board ensures that no related party benefits from favorable treatment. The pricing applicable to such transactions is based on the assessment of risk and pricing model of the Company and is comparable with what is applied to transactions between the Company and its unrelated parties. Related Party Transactions Review Committee was established by the Board in accordance with the guidelines of the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka.

Code Ref.	Requirement	Status of Compliance	Level of Compliance/ Reference within the Report
			Related Party Transactions Review policy and procedures are discussed in the Related Party Transactions Review Committee report. All related party transactions as defined in Sri Lanka Accounting Standard-24 (LKAS 24) on "Related Party Transactions" are disclosed in Notes to the Financial Statements.
D.2	Process of risk management and a sound system of internal control to safeguard shareholders' investments and the Company's assets Report of the Audit and Risk Committee Directors' Statement of Internal Control	Yes	The Board is responsible for establishing a sound framework of risk management and internal control and monitoring its effectiveness on a continuous basis. Through such an effective framework, ACL manages business risks and ensures that the financial information on which business decisions are made and published is reliable and ensures that the Company's assets are safeguarded against unauthorised use or disposition. The Board has appointed a Audit Committee composed of Independent Non-Executive Directors. The Audit Committee on quarterly basis reviews the Risk Register of the Company and the Group in the context of likelihood and their impact to the Group along with the effectiveness of the system of internal controls to address them to a satisfactory level. Strategies adopted by the Company to manage its risk are set out in the risk management report.
D.3	Audit Committee	Yes	Refer to Audit Committee Report
D.5	Related Party Transactions Review Committee	Yes	Refer to RPT Committee Report
D.6	Code of Business Conduct and Ethics	Yes	The Company has adopted a Code of Business Conduct and Ethics and the Directors are committed to the Code and the principles contained therein. A set of guidelines for ethical behavior has also been compiled to assist employees to act responsibly and to make the correct decisions in their day-to-day work. The Code of Conduct explains the principles for dealing with business associates, general partners, colleagues, and the community in which the Company operates. The Corporate Governance Report sets out the manner and extent to which the Company has complied with the principles and provisions of the Code. The Board is not aware of any material violations of any of the provisions of the Code of Business Conduct and Ethics by any Director or any corporate management member of the Company.
D.7	Corporate Governance Disclosures	Yes	This requirement is met through the presentation of this report.

CORPORATE GOVERNANCE

Code Ref.	Requirement	Status of Compliance	Level of Compliance/ Reference within the Report
E/F	Institutional and other investors	Yes	The Company is committed to maintaining good communications with investors. The Chairman conducts a structured dialogue with the shareholders based on the mutual understanding of objectives and ensures that the views of the shareholders are communicated to the Board as a whole. The Annual General Meeting is used to have an effective dialogue with the shareholders on matters which are relevant and concerned to the general membership. The Managing Director has regular discussions with key institutional shareholders to share highlights of the Company's performance and with the view to obtaining constructive feedback. The feedback obtained from institutional shareholders is communicated to the entire Board by the Managing Director. Individual shareholders are encouraged to carry out adequate analysis and seek independent advice prior to investing or divesting directly in shares of the Company. All shareholders are encouraged to participate at meetings of the Company and a Form of Proxy accompanies each Notice providing shareholders who are unable to attend such meeting the opportunity to cast their vote.
G	Internet of Things and Cybersecurity		Refer to IT Governance and Cybersecurity section.
H	Sustainability: ESG Risk and Opportunities		Refer to ESG risk and opportunities Governance section and Risk Management note
I	Special Considerations for Listed Entities ➤ Policies ➤ Discloses In Its Annual Report		Refer to IT Code of Business Conduct and Ethics section.

DIRECTORS' STATEMENT ON INTERNAL CONTROLS

REQUIREMENT

In accordance with Section D.2.1.2 of the Code of Best Practice on Corporate Governance (2023) jointly issued by the Securities and Exchange Commission of Sri Lanka and the Institute of Chartered Accountants of Sri Lanka, and in line with Rule 9.13.5 b of the Listing Rules of the Colombo Stock Exchange, the Board of Directors of ACL Cables PLC presents this statement on the internal control framework of the Company for the financial year 2025/26.

RESPONSIBILITY

The Board of Directors acknowledges its ultimate responsibility for establishing and maintaining an effective system of internal controls covering financial, operational, and compliance controls as well as risk management. These controls are designed to safeguard shareholders' investments, protect the Company's assets, and ensure the integrity and reliability of financial reporting.

The Board has entrusted the Audit Committee with the task of reviewing the adequacy, effectiveness, and integrity of this internal control system and to report on any significant findings or concerns, thereby ensuring that these controls are consistently monitored, tested, and improved where necessary.

INTERNAL CONTROL PROCESS

The system of internal control in place at ACL Cables PLC and its subsidiaries is structured to provide reasonable, though not absolute, assurance that the Company's business objectives will be achieved. It takes into account the dynamic business environment, evolving risks, and regulatory obligations.

The Audit Committee oversees the effectiveness of this system through a structured review process, which includes:

- Periodic reviews of the design and operation of internal controls at both Company and Group level;
- Annual independent discussions with the internal and external auditors to assess the adequacy of control

procedures, financial reporting integrity, and any reported irregularities or weaknesses;

- Review of the Group-wide risk matrix at each Audit Committee meeting, covering identification, evaluation, mitigation, and monitoring of risks across strategic, operational, financial, and compliance domains;
- Evaluation of the risk register, prepared by management and maintained at subsidiary and Company levels, where key risks are rated based on likelihood and impact and are accompanied by mitigation actions and responsible parties;
- Dialogues with the Managing Director and senior management to obtain clarity on critical control measures, evolving risks, and the effectiveness of the Company's risk response strategies.

The risk register, along with observations and recommendations by the Audit Committee, is presented to the Board of Directors for further deliberation. These discussions ensure that appropriate governance structures and internal control mechanisms are in place to address key risk exposures, and that disclosures in the financial statements are accurate and meaningful to stakeholders.

The Audit Committee also reviews the cyber security framework, business continuity planning, and control over financial reporting processes to mitigate emerging risks arising from the increasing reliance on digital systems and interconnectivity.

COMPLIANCE AND ASSURANCE

The internal control system is further reinforced through adherence to applicable Sri Lanka Accounting Standards, Companies Act No. 07 of 2007, as amended by the Companies (Amendment) Act No. 12 of 2025, Listing Rules of the Colombo Stock Exchange, and other relevant statutory and regulatory frameworks. Regular audits and internal control testing, conducted by both internal and external auditors, support the Company's efforts to maintain a strong compliance culture.

Where areas for improvement were identified during the year, the necessary corrective measures were promptly implemented, and no significant deficiencies or material weaknesses that could have an adverse impact on the reliability of financial reporting or safeguarding of assets were reported.

STATEMENT OF CONFIRMATION

Based on the evaluations carried out throughout the year and recommendations received from the Audit Committee, the Board of Directors of ACL Cables PLC confirms that the internal control system as implemented during the financial year 2025/26 was effective and adequate to provide reasonable assurance regarding:

- The reliability of financial reporting;
- The safeguarding of assets;
- The prevention and detection of fraud and errors;
- Compliance with applicable laws and regulations; and
- The sound management of operational and strategic risks.

The Board remains committed to the continuous enhancement of the internal control framework in response to the changing business landscape and stakeholder expectations.

By order of the Board,

(Sgd.)

Corporate Affairs (Private) Limited
Secretaries

31st August 2026

SENIOR INDEPENDENT DIRECTOR'S STATEMENT

In accordance with the Code of Best Practice on Corporate Governance 2023 issued by the Institute of Chartered Accountants of Sri Lanka and CSE Listing Rule No. 9.6.3, ACL Cables PLC has appointed a Senior Independent Director (SID) to uphold the highest standards of corporate governance. This appointment is particularly relevant given that The Chairman, Mr. U.G. Madanayake, serves in an executive capacity and is a close family member of the Managing Director, Mr. H.A.S. Madanayake.

The role of the SID is integral to ensuring robust governance oversight. While the Chairman provides leadership in implementing corporate governance best practices, the SID independently reviews the Board's effectiveness, operational performance, and the Chairman's contributions. This dual structure reinforces transparency and accountability in governance matters, aligning with both regulatory requirements and stakeholder expectations.

At ACL Cables PLC, we are deeply committed to the principles of good governance. Our approach combines strict compliance with mandatory regulations and voluntary adoption of additional best practices, fostering stakeholder trust and long-term value creation.

As the Senior Independent Director, I engage with the Chairman on governance-related matters as needed and remain available to all Directors for confidential discussions regarding the Company's affairs. This ensures an open channel for addressing any concerns while maintaining the integrity of our governance framework.

(Sgd.)

Prof. Malik Ranasinghe

Senior Independent Director

ACL Cables PLC

31st August 2026

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FINANCIAL CALENDAR 2025/26

01st Quarter Interim Financial Statements (30th June 2025)	- 15th August 2025 (Unaudited)
02nd Quarter Interim Financial Statements (30th September 2025)	- 14th November 2025 (Unaudited)
03rd Quarter Interim Financial Statements (31st December 2025)	- 13th February 2026 (Unaudited)
04th Quarter Interim Financial Statements (31st March 2026)	- 29th May 2026 (Unaudited)
Annual Report 2025/26	- 31st August 2026
64th Annual General Meeting	- 30th September 2026
First Interim Dividends Paid (Rs. 1.50 per Share)	- 16th October 2025

REPORT OF THE DIRECTORS

The Directors have pleasure in presenting their 64th Annual Report together with the Audited Statements of Financial Position, Income Statements and Consolidated Financial Statements of the Group for the year ended 31 March 2026.

REVIEW OF THE YEAR

The Chairman's Message and Managing Director's Review set out the state of affairs and performance of the Company during the year.

PRINCIPAL ACTIVITIES OF THE GROUP

Description of the nature of the operations and principal activities of the Company and its subsidiaries are given on pages 60 to 61.

FUTURE DEVELOPMENTS

An overview of the future developments of the Company is given in Managing Director's Review on page 38.

DIRECTORS

Directors of the Company are listed on pages 40 to 43 and their respective shareholdings are given below.

	Number of Shares as at 31.03.2026	% Holding as at 31.03.2026	Number of Shares as at 31.03.2025	% Holding as at 31.03.2025
Mr U G Madanayake, Chairman	274,166,592	38.15	91,388,864	38.15
Mr Suren Madanayake, Managing Director	159,628,752	22.21	53,209,584	22.21
Mrs N C Madanayake	12,385,200	1.72	4,128,400	1.72
Dr Sivakumar Selliah	-	-	-	-
Mr D Daya Wahalatantiri	-	-	-	-
Mr P S Rajiv Casie Chitty	-	-	-	-
Prof. Malik Ranasinghe	-	-	-	-
Mr Kusal Jayawardana	-	-	-	-
Mr Nissanka Weerasekera	-	-	-	-
Mr Esala Weerakoon (w.e.f. 30th June 2026)	-	-	-	-

* 2026 figures reflect the effect of 1:3 share subdivision

ACCOUNTING POLICIES AND CHANGES DURING THE YEAR

The Company and the Group prepared the financial statements in accordance with the Sri Lanka Accounting Standards (SLFRS/ LKAS). The significant accounting policies adopted in the preparation of the financial statements of the Company and the Group are given in pages 126 to 148.

INDEPENDENT AUDITOR'S REPORT

The Independent Auditors' Report on the Financial Statements is given on page 116 in this Report.

FINANCIAL STATEMENTS

The Financial Statements prepared in compliance with the requirements of Section 151 of the Companies Act No. 7 of 2007 are given on pages 120 to 188 in this Annual Report.

TURNOVER

The total gross Group turnover generated was Rs. 45,508 million (2024/25 - Rs. 37,487 million), while the turnover of the Company was Rs. 22,859 million (2024/25 - Rs. 17,330 million). A segment wise analysis is given in Note 39 appearing on page 183.

TOTAL RESERVES

The Reserves of the Group as at 31st March 2026 amount to Rs. 36,605 million (2024/25 - Rs. 30,499 million). The composition of the reserves is shown in the Statement of Changes in Equity in the Financial Statements.

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENTS

The Statement of the Directors' Responsibilities for Financial Statements is given on page 108.

The accounting policies adopted by the Group are consistent with those adopted in the previous financial year.

GOING CONCERN

The Board is satisfied that the Company will continue its operations in the foreseeable future. For this reason, the Company continues to adopt the going concern basis in preparing the Financial Statements.

MATERIAL FORESEEABLE RISK FACTORS

The Risk Management Report is given on pages 62 to 69 of the Annual Report, which includes information pertaining to material foreseeable risks of the Group and the mitigation strategies.

STATED CAPITAL

The Stated Capital of the Company as at 31 March 2026 was LKR 299 million and was unchanged during the year.

REPORT OF THE DIRECTORS

EVENTS OCCURRING AFTER THE REPORTING DATE

No circumstances have arisen since the reporting date which would require adjustments to or disclosure in the Financial Statements other than those disclosed in Note 42 to the Financial Statements.

STATUTORY PAYMENTS

All known statutory payments have been made or provided for by the Company.

INTEREST REGISTER

The Interest Register is maintained by the Company, as per the Companies Act No. 7 of 2007. All Directors have made declarations in accordance with the aforesaid Act. The Interest Register is available for inspection as required by the Companies Act.

DIRECTORS' INTEREST IN CONTRACTS

Directors' interests in contracts of the Company are disclosed in Note 40 to the Financial Statements and no Director of the Company is directly or indirectly interested in any other contracts with the Company.

DIRECTORS' RETIREMENT BY ROTATION

The Directors retiring by rotation in terms of Article 85 of the Articles of Association will be Mrs N C Madanayake, Dr Sivakumar Selliah and Mr Nissanka Bandara Weerasekera, who being eligible offer themselves for re-election.

DIRECTORS' REMUNERATION

Remuneration received by the Directors is set out in Note 40 to the Financial Statements.

DIRECTORS MEETINGS

The details of Directors' meetings are set out on page 76 under the Corporate Governance section of the Annual Report.

DIVIDENDS

Having satisfied the compliance of the solvency test required by the Companies Act No. 07 of 2007, an interim dividend of LKR 1.50 per share was paid on 16 October 2025 to the holders of the Ordinary Shares for the financial year 2024/2025.

CAPITAL EXPENDITURE

The capital expenditure on acquisition of property, plant and equipment of the Company and the Group amounted to LKR 27 million and LKR 400 million respectively, details of which are given in notes 12, 13 and 15 to the Financial Statements.

PROPERTY, PLANT AND EQUIPMENT

Details of property, plant and equipment are given in note 12 (a) and note 12 (b) to the Financial Statements. The Freehold properties (land and buildings) of the Group have been revalued based on independent professional valuations and written-up in the books of account to conform to market value of such properties. Further, details of such revaluations are given in Note 12 (c) and 12 (k) to the financial statements.

MARKET VALUE OF PROPERTIES

The details of market value of freehold land and buildings are given in Note 12 (c) to the Financial Statements. There is no evidence of the book value of the land and buildings being substantially different from the market value of land of the Company and/or its subsidiaries as at 31st March 2026.

EMPLOYEE SHARE OWNERSHIP PLANS

The Group does not operate any share option schemes.

DONATIONS

Donations amounting to LKR 1.9 million (Group amount) were made during the year under review.

SHARE INFORMATION

Information relating to earnings, dividend, net assets and market price per share is given in the Information of Shareholders on page 190 of the Annual Report.

SHAREHOLDINGS

As at 31 March 2026 there were 12,191 shareholders. The distribution is indicated on page 190 of the Annual Report. The twenty largest shareholders of the Company as at 31 March 2026, together with an analysis are given on page 191 of the Annual Report.

RATIOS AND MARKET PRICE INFORMATION

The ratios relating to equity and debt, as required by the listing requirements of the Colombo Stock Exchange, are given on page 192 of this Report.

RELATED PARTY TRANSACTIONS

The Directors have also disclosed the transactions if any, that could be classified as related party transactions in terms of Sri Lanka Accounting Standard – LKAS 24 "Related Party Disclosures" which is adopted in the preparation of the Financial Statements. These disclosures also comply with the disclosure requirements of the section 9 of the listing rules.

Those transactions disclosed by the Directors are given in Note 40 to the Financial Statements forming part of the Annual Report of the Board.

The directors confirm that section 9 of the CSE Listing Rules and the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka pertaining to Related Party Transactions have been complied with by the Company and the Group with effect from 1st January 2016.

Related Party Transactions Review Committee report is set out on page 112 in the Financial Statements.

RECURRENT RELATED PARTY TRANSACTIONS

There were no recurrent related party transactions which in aggregate value exceeds 10% of consolidated revenue.

NON-RECURRENT RELATED PARTY TRANSACTIONS

There were no non-recurrent related party transactions which in aggregate value exceeds 10% of the equity or 5% of the total assets whichever is lower of the Company as per 31 March 2026 Audited Financial Statements, which required additional disclosures in the 2025/26 Annual Report under Colombo Stock Exchange listing Rule 9.14.8 and Code of Best Practices on Related Party Transactions under the

Securities and Exchange Commission Directive issued under Section 13 (c) of the Securities and Exchange Commission Act.

A detailed disclosure of related party transactions is given in Note 40 to the financial statements.

EMPLOYMENT

The Company has an equal opportunity policy and these principles are enshrined in specific selection, training, development and promotion policies, ensuring that all decisions are based on merit. The Group practices equality of opportunity for all employees irrespective of ethnic origin, religion, political opinion, gender, marital status or physical disability. There were no material issues pertaining to employees and industrial relations in the year under review.

ENVIRONMENTAL PROTECTION

The Company has used its best endeavors to comply with the relevant environmental laws and regulations. The Company has not engaged in any activity that is harmful or hazardous to the environment.

CORPORATE GOVERNANCE

In the management of the Company, the Directors have placed emphasis in conforming to the best corporate governance practices and procedures. Accordingly, systems and structures have been introduced / improved from time to time to enhance risk management measures and to improve accountability and transparency. A separate report on corporate governance is given on pages 71 to 100 of the Annual Report.

COMPLIANCE WITH LAWS AND REGULATIONS

The Company has at all times ensured that it complied with the applicable laws and regulations including the listing rules of the Colombo Stock Exchange as a listed Company.

INDEPENDENT AUDITORS' APPOINTMENT AND REMUNERATION

The Company's auditors during the period under review were Messrs. Deloitte Partners, Chartered Accountants, who also were the auditors of certain subsidiaries of the Company. Audit fees payable to Messrs. Deloitte Partners, by the Company and the Group amounted to LKR 1.8 million and LKR 6.5 million respectively. Audit fees payable to other auditors of other subsidiaries by the Group amounted to LKR 1.2 million.

NOTICE OF MEETING

The 64th Annual General Meeting of the Company is convened on 30th September 2026, at 11.45 a.m., at the Auditorium of ACL Cables PLC, No. 60, Rodney Street, Colombo - 08. The Notice of the 64th Annual General Meeting is on page 202 of the Annual Report.

By Order of the Board

(Sgd.)

Corporate Affairs (Private) Limited
Secretaries

31st August 2026

DIRECTORS' RESPONSIBILITY FOR FINANCIAL REPORTING

The Companies Act No. 7 of 2007 requires the Directors of the Company to be responsible for the preparation and presentation of the financial statements and other statutory reports.

The Board accepts responsibility for the preparation and fair presentation of Financial Statements in accordance with the Companies Act No. 7 of 2007, the Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995 and the Listing Rules of the Colombo Stock Exchange. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of Financial Statements that are free from material misstatement whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

In discharging this responsibility, the Directors have instituted a system of internal financial controls and a system for monitoring its effectiveness. The system of controls provides reasonable and not absolute assurance of safeguarding of the Company's assets, maintenance of proper accounting records and the reliability of financial information.

The financial statements presented in the Annual Report for the year ended 31st March 2026, have been prepared based on the new Sri Lanka Accounting Standards (SLFRSs/LKASs) which came into effect for the financial periods commencing after 1st January 2012. The Directors have selected the appropriate accounting policies and such policies adopted by the Group are disclosed and explained in the financial statements.

The Board of Directors confirm that the Company's and the Group's Consolidated Statements of Financial Position as at 31st March 2026 and the Comprehensive Income Statements for the Company and the Group for the financial year ended 31st March 2026 reflect a true and fair view of the Company and the Group respectively.

APPROVAL OF FINANCIAL STATEMENTS

The Directors' Report and the Financial Statements of the Company and of the Group were approved by the Board of Directors on 31st August 2026.

By Order of the Board

(Sgd.)

Corporate Affairs (Private) Limited
Secretaries

31st August 2026

AUDIT COMMITTEE REPORT

ROLE OF THE AUDIT COMMITTEE

The role of the Audit Committee is to assist the Board in fulfilling its oversight responsibilities in relation to the integrity of the financial statements of the Company, the internal control and risk management systems of the company, compliance with legal and regulatory requirements, the External Auditors' suitability, performance, and independence, and the adequacy and performance of the Internal Audit function undertaken by the Group Risk & Control division. The scope of functions and responsibilities are adequately set out in the terms of reference of the Committee which has been approved by the Board and is reviewed annually.

The Committee's responsibilities include monitoring and reviewing the following;

- The integrity and accuracy of the Company's financial reporting.
- The effectiveness of internal control and risk management systems.
- Compliance with statutory and regulatory frameworks.
- Oversight of the performance, independence, and objectivity of the External Auditors.
- Evaluation of the Internal Audit function, as carried out by the Group Risk & Control Division
- Oversight of sustainability reporting processes and disclosures, including compliance with SLFRS S1 and SLFRS S2 requirements.
- Oversight of cybersecurity risk and governance.

In the performance of its duties, the Committee has independent access to the services of Internal Audit and to the External Auditors, and may obtain outside professional advice as necessary.

COMPOSITION OF THE AUDIT COMMITTEE

The Audit Committee consists of the following two Independent Non-Executive Directors and one Non-Executive Director. Biographical details of whom are set out within the 'Board of Directors' section.

- Mr. Kusal Jayawardana – Chairman of the Committee (Independent Non-Executive - (Resigned w.e.f 31/03/2026))
- Professor Malik Ranasinghe, - Committee member (Senior Independent Non-Executive Director)
- Mr. Rajiv Casie Chitty – Committee member (Non-Executive Director)

Further details of the Audit Committee composition changes are given in their report on page 80.

The above members have significant, recent and relevant financial experience as required by the Code of Best Practice in Corporate Governance, issued by the Institute of Chartered Accountants of Sri Lanka and the Listing Rules of the Colombo Stock Exchange.

MEETINGS AND ATTENDANCE

The Committee met on four occasions in 2025/2026 as per the annual meeting schedule and the corporate governance requirement. Members' attendance at these meetings is set out in the table below. The Managing Director, Group Chief Executive Officer, Group Chief Financial Officer and Group Head of Risk & Control are invited to attend meetings as permanent invitees.

Member	Type of Directorship	No of Meetings (4)
Mr. Kusal Jayawardana	Independent Non-Executive Director	3/3
Mr. Nissanka Weerasekera	Independent Non-Executive Director	1/1*
Prof. Malik Ranasinghe	Senior Independent Non-Executive Director	4/4
Mr. Rajiv Casie Chitty	Non-Executive Director	4/4

* Mr. Nissanka Weerasekera has been appointed as the Chairman of the Audit Committee with effect from April 1, 2026, and chaired the fourth-quarter Audit Committee meeting of 2025/2026 financial year.

FINANCIAL REPORTING

The Audit Committee considered a wide range of financial reporting and related matters in respect of the 2025/2026 published Financial Statements. For quarterly statements, the Committee reviewed any significant areas of judgment that materially impacted reported results, key points of disclosure and presentation to ensure adequacy, clarity and completeness of the Interim Financial Statements.

INTERNAL AUDIT, RISKS AND CONTROLS

The Committee reviewed the adequacy of the Internal Audit coverage and the Internal Audit Plan for the company. The Group Risk & Control division regularly reported to the Committee on the adequacy and effectiveness of internal controls in the company and compliance with laws and regulations and established policies and procedures of the company through Internal Audit reports.

AUDIT COMMITTEE REPORT

Follow-up action was taken on the recommendations of the Internal Auditors and any other significant follow-up matters were documented and presented to the Committee on a quarterly basis by the Group Head of Risk & Control.

The Committee reviewed the whistleblowing arrangements for the company and had direct access to the Ombudsperson (Group Head of Risk & Control) for the company. The effectiveness and resource requirements of the Group Risk & Control division were reviewed and discussed with management and changes were affected where considered necessary.

During the year under review, the Group Risk & Control Division actively supported the Audit Committee by conducting comprehensive Risk Assessments across key operational and strategic areas. The team regularly reported on risk exposures, control effectiveness, and mitigation actions, enabling the Committee to evaluate the adequacy of the Company's Risk Management framework. These efforts ensured that emerging risks were promptly identified and addressed, thereby enhancing the Company's resilience and supporting sound governance practices.

EXTERNAL AUDITORS

The Audit Committee is responsible for the development, implementation and monitoring of the Company's policies on external audit. The policies, designed to maintain the objectivity and independence of the external auditors, regulate the appointment of former employees of the external audit firm to positions in the Group and set out the approach to be taken when using the external auditors for non-audit work.

As a general principle, the external auditors are excluded from consultancy work and cannot be engaged by ACL Cables PLC for other non-audit work unless there are compelling reasons to do so. Any proposal to use the external auditors for non-audit work must be submitted to the Audit Committee prior to Appointment.

The Audit Committee, having evaluated the performance of the external auditors, decided to recommend to the Board of ACL Cables PLC, the re-appointment of Messrs. Deloitte Partners, Chartered Accountants as auditors of the Company, subject to the approval of the Shareholders at the Annual General Meeting. Details of the fees payable to external auditors for 2025/2026 can be found in Note 06 to the financial statements.

The Committee is independent from External Auditors and Internal Auditors of the Company and the Group.

INTERNAL CONTROL SYSTEM

In 2025/2026 the Committee reviewed the effectiveness and efficiency of the Risk & Control team in term of internal audit, Risk management and other governance-related areas to assess the strength of the existing internal control and Risk management systems.

WHISTLEBLOWING

The company's whistleblowing policy continued effectively while educating staff and encouraged them to resort to whistleblowing if they had reasonable grounds to believe that there were wrong doings or other improprieties. All appropriate procedures are in place to conduct independent investigations into incidents reported through this process or if identified through other means. Even anonymous complaints are investigated.

In addition, measures have been put in place to protect whistleblowers who act in good faith in the interest of the Company. The Company undertakes to maintain the utmost confidentiality of staff who raise concerns or make serious specific allegations of malpractices or unethical behavior. In this way, the Company aims to promote a healthy workplace that practices good governance from the lowest to the highest tiers.

On behalf of the Committee

(Sgd.)

Nissanka Weerasekera
Chairman of the Audit Committee

31st August 2026

REMUNERATION COMMITTEE REPORT

ROLE OF THE REMUNERATION COMMITTEE

The Remuneration Committee is responsible for formulating and reviewing the Group's remuneration policy for Executive Directors and CXOs of ACL Cables PLC. The Committee conducts an annual review of the policy and recommends any necessary changes to the Board for approval.

In determining remuneration packages, the Committee evaluates company performance benchmarks and industry standards. It is important to note that no Executive Director participates in decisions regarding their own remuneration.

COMPOSITION OF THE REMUNERATION COMMITTEE

The Remuneration Committee comprises of the following Non-Executive Directors;

- Prof. Malik Ranasinghe – Chairman of the Committee
- Mr. Rajiv Casie Chitty – Member of the Committee
- Mr. Kusal Jayawardana – Member of the Committee (Resigned w.e.f 31st March 2026)
- Mr. Nissanka Weerasekare – (Appointed w.e.f. 1st April 2026)

Members of the Committee and the Chairman of the Committee are appointed through a Board resolution.

MEETING AND ATTENDANCE

During the 2025/2026 financial year, the Committee convened twice, adhering to the corporate governance guidelines set by the SEC and CA Sri Lanka. The Committee plans to meet at least biannually to review and provide

recommendations to the Board regarding the remuneration of Directors and CXOs.

Members' attendance at meetings of the Remuneration Committee in 2025/2026 is set out in the table below.

Member	No. of Meetings
Prof. Malik Ranasinghe	2
Mr. Kusal Jayawardana	2
Mr. Rajiv Casie Chitty	2

FUNCTIONS OF THE REMUNERATION COMMITTEE

Key responsibilities undertaken by the Committee during the financial year included:

- Reviewing the Directors' remuneration and severance policies,
- Determining Directors' fees, and
- Conducting a formal evaluation of the Committee's performance.

REMUNERATION POLICY

ACL's remuneration policy is designed to attract, retain, and motivate talent, ensuring the Group's successful management for the benefit of shareholders. The policy includes competitive, performance-linked incentives and rewards.

In determining remuneration levels, the Committee considers:

- Individual performance,
- Benchmarking against peer and industry standards, and
- Reports from specialized consultants.

The Committee ensures that remuneration arrangements for Executive Directors align

with those for other executives across the Group, while maintaining competitiveness with leading companies in the sector.

CONCLUSION

The Committee is satisfied that it has fulfilled its delegated responsibilities for the year under review and achieved its objectives effectively.

On behalf of the Committee

(Sgd.)

Prof. Malik Ranasinghe
Chairman of the Remuneration Committee

31st August 2026

REPORT OF THE RELATED PARTY TRANSACTIONS REVIEW COMMITTEE

OBJECTIVE

The Related Party Transactions Review Committee (RPTRC) was established to ensure ACL Cables PLC's compliance with the Code of Best Practices on Related Party Transactions issued by the Securities and Exchange Commission of Sri Lanka, incorporated into the CSE Listing Rules.

The Committee's primary objective is to safeguard the interests of shareholders by ensuring that all related party transactions are conducted transparently and at arm's length. It implements a structured process to identify, review, and report such transactions to the Board in accordance with regulatory requirements.

COMPOSITION OF THE RELATED PARTY REVIEW COMMITTEE

The Company established the Related Party Transactions Review Committee as a subcommittee of the ACL Cables PLC Board. RPTRC comprised the following members of the Board;

- Mr. Kusal Jayawardana - Chairman of the Committee (Resigned w.e.f 31/03/2026)
- Prof. Malik Ranasinghe - Member of the Committee
- Mr. Suren Madanayake - Member of the Committee
- Mr. Nissanka Weerasekare - (Appointed w.e.f. 1st April 2026 as the Chairman of the Committee)

SCOPE OF THE COMMITTEE

- The Committee reviews in advance all proposed related party transactions, other than the exempted transactions falling under the preview of section 9.14.10 of the Listing Rules, to ensure they are carried out on an arm's length basis.
- At each subsequent scheduled meeting of the Committee, the management shall update the Committee as to any proposed material changes in any previously reviewed related party transactions and seek approval of the

Committee for such proposed material changes prior to the completion of the transaction.

- The Committee reviews related party transactions based on rules stipulated in the Code (rules 28 – 33 in the appendix to the Code) and the need of special approval from shareholders and disclosure requirements for such transactions.
- The Committee intends to meet as and when a need arises. However, at least quarterly meetings are scheduled to review related party transactions of the Company.
- Members of the RPTRC ensure that they have, or have access to, enough knowledge or expertise to assess all aspects of proposed related party transactions, and where necessary, they shall obtain appropriate professional and expert advice from an appropriately qualified person.

ROLE OF THE COMMITTEE

- Recommend and develop terms of reference of the RPTRC for adoption by the Board of Directors of the Company.
 - Review of related party transactions as required in terms of the provisions set out in Appendix 9A of CSE Rules, either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such review, prior to the completion of the transaction.
 - The minutes of the RPTRC is shared with the Board of Directors on the related party transactions of the Company on a quarterly basis as a way of updating the Board of Directors
 - Where necessary, the Committee shall request the Board of Directors to approve the subject related party transactions. In such instances, the approval of the Board of Directors should be obtained prior to entering into the relevant related party transaction.
- If a Director has a material personal interest in a matter being considered at a Directors' meeting to approve a related party transaction, such Director may not be present while the matter is being considered at the meeting or may not vote on the matter.
 - Make recommendations to obtain shareholder approval for applicable related party transactions as per the provisions in the Code and Section 9 of CSE Listing Rules. Such approval shall be obtained either prior to the transaction being entered into or, if the transaction is expressed to be conditional on such approval, prior to the completion of the transaction.
 - Obtain competent independent advice from independent professional experts with regard to the value of the substantial assets of the related party transaction under consideration and circulate the same with the notice of meeting to obtain the shareholder approval.
 - Make immediate market disclosures on applicable related party transactions as required by the Listing Rules of CSE.
 - Make appropriate disclosures on related party transactions in the Annual Report as required by CSE Listing Rules.
 - Any concerned transactions, to be highlighted to the Board.

COMMITTEE MEETINGS AND ATTENDANCE

Four meetings were held in 2025/2026 to review quarterly transaction reports submitted by the Finance Division. Member attendance is detailed in the report below.

Member	No. of Meetings
Mr. Kusal Jayawardana	4
Prof. Malik Ranasinghe	4
Mr. Suren Madanayake	4

The Committee maintains a proactive approach, with planned quarterly meetings to monitor compliance and report findings to the Board and any concerns of the Committee will be reported to the Board of Directors on a continuous basis.

CONCLUSION

The Committee confirms that all applicable rules in the Code of Best Practice on Related Party Transactions and Section 9 of CSE Listing Rules have been complied with by the Group as at the date of this Report.

(Sgd.)

Mr. Nissanka Weerasekare

Chairman-Related Party Transactions Review Committee

31st August 2026

NOMINATIONS AND GOVERNANCE COMMITTEE REPORT

ROLE OF THE NOMINATIONS AND GOVERNANCE COMMITTEE

The Nominations and Governance Committee (NGC) is established to support the Board in fulfilling its oversight responsibilities regarding the Board composition and Director appointments related to the entity.

The Nominations and Governance Committee comprises of the following Non-Executive Directors;

- **Prof. Malik Ranasinghe** – *Chairman of the Committee*
- **Mr. Rajiv Casie Chitty** – *Member of the Committee*
- **Mr. Kusal Jayawardana** – *Member of the Committee (Resigned w.e.f 31st March 2026)*
- **Mr. Nissanka Weerasekera** - *(Appointed w.e.f. 1st April 2026)*

Members of the Committee and the Chairman of the Committee are appointed through a Board resolution.

MEETING AND ATTENDANCE

During the 2025/2026 financial year, the Committee convened Once, adhering to the corporate governance guidelines set by the SEC and CA Sri Lanka. The Committee plans to meet at least once a year to review and provide recommendations to the Board regarding the matters pertaining to Nominations and Governance.

Members' attendance at meetings of the Committee in 2025/2026 is set out in the table below.

Member	No. of Meetings
Prof. Malik Ranasinghe	1
Mr. Rajiv Casie Chitty	1
Mr. Kusal Jayawardana	-

FUNCTIONS OF THE NOMINATIONS COMMITTEE

Key responsibilities undertaken by the Committee during the financial year included

- Evaluating and recommending candidates for Board and Committee appointments Ensuring the Board comprises individuals with appropriate expertise, skills, and diversity to support the Company's strategic direction.
- Develop succession plan for Board of Directors and Key Management Personnel of the company.
- Review Board structure, size, and composition to ensure effective discharge of duties and responsibilities.
- Develop succession plan for Board of Directors and Key Management Personnel of the Listed Entity.
- Overseeing company's corporate Governance Policies / Frameworks and Ensure compliance with the applicable laws and regulations.

DISCLOSURE OF ACTIVITIES

The Board carried out an evaluation of the performance of the Board as a whole and the effectiveness of the Committees. The collective outcome was informed to the Board. Any major issues relating to the Company are updated to the Independent Directors by the Chairman or Managing Director. Special Board meetings are called if the need arises to discuss an important or critical matter with the Board. No such meetings were needed during the financial year under review.

During the year under review, there were not any new appointments made to the board; existing Directors are regularly updated with corporate governance requirements, Listing Rules, and other applicable laws.

Non-Executive Directors have submitted declarations regarding their independence / non-independence.

The fitness and propriety of the Directors were examined.

CONCLUSION

The Committee is satisfied that the Board of Directors, as currently constituted, possesses the requisite expertise, diversity, and independence to guide the Company effectively. Further, the Company remained compliant with the corporate governance requirements of the Colombo Stock Exchange and all other applicable regulations throughout the year.

On behalf of the Committee

(Sgd.)

Prof. Malik Ranasinghe
Chairman of the Nominations and Governance Committee

31st August 2026

RESPONSIBILITY STATEMENT OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER

COMPLIANCE WITH LAWS AND REGULATIONS

The Financial Statements of ACL Cables PLC (the Company) and the Consolidated Financial Statements of the Company and its subsidiaries (the Group) for the year ended 31st March 2026 are prepared in accordance with the following requirements:

- Sri Lanka Accounting Standards issued by The Institute of Chartered Accountants of Sri Lanka (SLFRS/ LKAS),
- Companies Act No. 07 of 2007,
- Listing Rules of the Colombo Stock Exchange,
- Sri Lanka Accounting and Auditing Standards Act No. 15 of 1995, and
- Code of Best Practice on Corporate Governance issued by the Institute of Chartered Accountants of Sri Lanka and the Securities and Exchange Commission of Sri Lanka.

FINANCIAL REPORTING

The Significant Accounting Policies applied in the preparation of the consolidated Financial Statements are appropriate and consistently followed, unless otherwise noted in the accompanying statements. These policies and the estimates that require significant judgment and complexity were discussed with the Audit Committee and the Company's External Auditors. There are no deviations from the prescribed Accounting Standards in their adoption. Comparative information has been reclassified where necessary to align with the current presentation.

The Board of Directors and the management of the Company assume responsibility for the accuracy and objectivity of these Financial Statements. The estimates and judgments related to the Financial Statements were made on a prudent and reasonable basis, ensuring that the Financial Statements provide a true and fair view, and that the transactions accurately represent the Company's financial position.

We confirm, to the best of our knowledge, that the Financial Statements, Significant Accounting Policies, and other financial information included in this Annual Report fairly present all material aspects regarding the financial position, operational results, and Cash Flows of the Group for the year under review. We also confirm that the Group has sufficient resources to continue operating and have used the Going Concern basis in preparing these Financial Statements.

SYSTEM OF INTERNAL CONTROL

The Company has implemented a robust system of internal control and accounting records to safeguard assets and prevent and detect fraud and other irregularities. These systems are continuously reviewed, evaluated, and updated. Based on our evaluations for the financial period under review, we confirm that there were no significant deficiencies or material weaknesses in the design or operation of internal controls, and no fraud involving management or employees was detected. The Internal Auditors conduct periodic audits to provide reasonable assurance that the Group's established policies and procedures are consistently followed. Nonetheless, there are inherent limitations in any system of internal control and accounting that must be acknowledged.

REPORT OF INDEPENDENT AUDITORS

Messrs Deloitte Partners, Chartered Accountants, audited the Financial Statements, and their report is presented on pages 116 to 119.

AUDIT COMMITTEE

The Audit Committee meets periodically with the Internal Auditors and the Independent Auditors to review their performance, discuss auditing, internal control, and financial reporting issues. To ensure full independence, the Independent Auditors and Internal Auditors have unrestricted access to the Audit Committee to discuss any substantial matters. The Audit Committee Report is provided on page 109.

CONCLUSION

We confirm, to the best of our knowledge, that:

- The Group has complied with all applicable laws, regulations, and guidelines, with no material litigation against the Group other than those disclosed in note 31 of the Financial Statements.
- The internal control system is functioning effectively.
- The Financial Statements accurately reflect the nature and substance of transactions, and reasonably present the Company's financial position, with the Going Concern basis applied in their preparation.
- All taxes, duties, levies, statutory payments by the Group, and contributions, levies, and taxes payable on behalf of and in respect of the employees of the Group as of 31st March 2026, have been paid or appropriately provided for.

(Sgd.)

Suren Madanayake
Managing Director

(Sgd.)

Mahesh Amarasiri
Group Chief Financial Officer

31st August 2026

INDEPENDENT AUDITOR'S REPORT



Deloitte Partners
100 Braybrooke Place
Colombo 2
Sri Lanka

Tel: +94 11 771 9700,
+94 11 771 9838
Fax: +94 11 230 7237
www.deloitte.com

To the Shareholders of ACL Cables PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of ACL Cables PLC (the Company) and the consolidated financial statements of the Company and its subsidiaries (the Group), which comprise the statement of financial position as at 31 March 2026, and the statement profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements of the Company and the consolidated financial statements of the Group give a true and fair view of the financial position of the Company and the Group as at 31 March 2026, and of their financial performance and their cash flows for the year then ended in accordance with Sri Lanka Accounting Standards.

Basis for Opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group in accordance with the Code of Ethics for Professional Accountants issued by the Institute of Chartered Accountants of Sri Lanka ("CA Sri Lanka Code of Ethics") and we have fulfilled our other ethical responsibilities in accordance with the CA Sri Lanka Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

C S Manoharan FCA, T U Jayasinghe FCA, M D B Boyagoda FCA, H A C H Gunaratne FCA, M P M T Gunasekara FCA, N R Gunasekera FCA, M S J Henry FCA, M M R Hilmy FCA, H P V Lakdeva FCA, K M D R P Manatunga ACA, M M M Manzeer FCA, L A C Tillekeratne ACA, D C A J Yapa ACA

Regd. Office: P.O. Box 918, 100 Braybrooke Place, Colombo 02, Sri Lanka. Reg. No.: w/4179

The Group and Company:

Key audit matter	How our audit addressed the key audit matter
Valuation of investment property (Refer Notes 2.12 and 14 in the consolidated financial statements for disclosures of related accounting policy and balances) The Group's and Company's investment properties comprise land and buildings, carried at fair values of LKR 2,529 million and LKR 1,222 million respectively as at 31 March 2026. The Group engaged an external valuer to determine the fair values of its investment properties as at 31 March 2026. The Group and the Company recorded gains on fair valuation of LKR 700 million and LKR 582 million respectively on the investment properties for the year. The value of these properties is dependent on the valuation methodology adopted (market approach or income approach) and the inputs into the valuation model. The Group uses both the market approach and income approach in valuing the investment properties. In determining the fair values using market approach, the valuer has considered factors such as the individual nature, location, and market prices of comparable properties in close proximity. In determining the fair values using income approach, the valuer has considered annual ground rent and other relevant factors. We considered this to be a matter of most significance to our audit due to: ➤ Investment property balance in the statement of financial position being significant; and ➤ Inherently subjective nature of investment property valuation due to the use of estimates and judgments in the valuation methodology.	Our audit approach mainly included substantive audit procedures as follows: ➤ assessed the experience, qualifications, and independence of the external valuation expert; ➤ checked the completeness and accuracy of the information provided to the valuer by management; ➤ evaluated the appropriateness of the valuation methodologies adopted with methods used in general practice in the industry; ➤ assessed the reasonableness of the investment property values determined by the valuer using market approach by comparing them to publicly available information in the property market considering factors such as location, size of the land extent and physical state of the buildings; ➤ assessed the reasonableness of the investment property values determined by the valuer using income approach by validating the rent income as per existing lease agreements; ➤ inspected the final valuation reports and agreed the fair values to the Company's accounting records and financial statements; ➤ checked the mathematical accuracy of the fair value gains recognized in the financial statements; ➤ where necessary obtained assistance from our own internal valuation specialist to assess the reasonableness of the fair value of investment properties; and ➤ assessed the adequacy and appropriateness of management's disclosures in the financial statements.

INDEPENDENT AUDITOR'S REPORT



The Group and Company:

Key audit matter	How our audit addressed the key audit matter
Valuation of slow-moving inventory (Refer Notes 2.16 and 20 in the consolidated financial statements for disclosures of related accounting policy and balances) The Group and the Company held inventory balances of LKR 14,128 million and LKR 8,599 million, respectively at the lower of cost and net realizable value after considering the write-down required for slow moving inventory as at 31 March 2026. Management determines the necessary write-down for slow-moving inventory through an assessment of inventory movement trends and periodic physical inspections. The future realisability of slow-moving inventory is estimated with reference to inventory aging/turnover, physical condition and expected market values of such inventory. We considered this to be a matter of most significance to our audit due to: ➤ Inventory balance in the statement of financial position being significant; and ➤ Subjectivity in the process for identification of slow-moving inventory and the determination of net realisable value which is based on management's judgement.	Our audit approach included the following audit procedures related to the slow-moving inventory items: ➤ obtained an understanding of the management's process in place to identify slow-moving inventory; ➤ for a sample of selected slow-moving finished goods, assessed the management's basis for determining the net realisable value and computed the residence period based on the system generated inventory reports; ➤ physically inspected a sample of the slow-moving inventory items in order to check whether there are any damaged or obsolete items; ➤ evaluated subsequent sales and inventory movements for a sample of selected inventory items where relevant; and ➤ obtained explanations from management for a sample of selected slow-moving inventory items and evaluated the reasonableness of the net realisable values assigned.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that

there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company and the consolidated financial statements of the Group, management is

responsible for assessing the Company's/ Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company/ Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company and the consolidated financial statements of the Group as a whole are free from material misstatement, whether due to fraud or

error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and,

based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements of the Company and the consolidated financial statements of the Group or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company/ Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements of the Company and the consolidated financial statements of the Group represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the Company and the consolidated financial statements of the Group of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

As required by section 163 (2) of the Companies Act, No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

CA Sri Lanka membership number of the engagement partner responsible for signing this independent auditor's report is 3991.

Deloitte Pooburn

CHARTERED ACCOUNTANTS
Colombo

31 August 2026

STATEMENT OF PROFIT OR LOSS

(all amounts in Sri Lanka Rupees thousands)

For the year ended 31 March	Note	Group		Company	
		2026	2025	2026	2025
Revenue from contracts with customers	4	45,507,609	37,486,900	22,858,725	17,330,042
Cost of sales	6	(34,053,444)	(27,263,219)	(17,683,830)	(13,209,101)
Gross profit		11,454,165	10,223,681	5,174,895	4,120,941
Other income	5	844,019	206,385	983,692	411,192
Distribution costs	6	(1,802,705)	(1,784,081)	(866,293)	(837,493)
Administrative costs	6	(1,292,339)	(1,147,672)	(281,164)	(283,085)
Net impairment losses on financial assets	21 (a)	(24,931)	(32,279)	(24,000)	(24,001)
Operating profit		9,178,209	7,466,034	4,987,130	3,387,554
Finance income		1,418,605	710,989	324,240	132,031
Finance costs		(128,183)	(266,993)	(111,572)	(167,920)
Net finance income / (costs)	8	1,290,422	443,996	212,668	(35,889)
Share of net profit of associates accounted for using the equity method	18 (a)	51,049	69,908	-	-
Profit before income tax		10,519,680	7,979,938	5,199,798	3,351,665
Income tax expense	9	(3,239,436)	(2,560,401)	(1,442,771)	(943,441)
Profit for the year		7,280,244	5,419,537	3,757,027	2,408,224
Profit attributable to :					
- Owners of the company		6,337,879	4,579,459	3,757,027	2,408,224
- Non-controlling interests		942,365	840,078	-	-
		7,280,244	5,419,537	3,757,027	2,408,224
Earnings per share - basic/ diluted	10	8.82	6.37	5.23	3.35
Dividend per share	11	1.50	1.25	1.50	1.25

The notes on pages 126 to 188 form an integral part of these financial statements.

Independent auditor's report - pages 116 to 119.

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March	Note	Group		Company	
		2026	2025	2026	2025
Profit for the year		7,280,244	5,419,537	3,757,027	2,408,224
Other comprehensive income;					
Items that will not be reclassified subsequently to the Statement of Profit or Loss					
Change in value of equity instruments at fair value through other comprehensive income	19 (a)	54,519	(96,042)	16,986	9,441
Tax impact on change in value of equity instruments at fair value through OCI	29(b) i	(1,668)	41,864	-	-
Re-measurements of defined benefit obligations	28(c)	23,328	(64,362)	30,342	(39,654)
Tax impact on re-measurement of defined benefit obligations	29(b) ii	(7,529)	19,150	(9,103)	11,896
Tax impact on gains on revaluation of land and buildings	29 (b) i	-	16,911	-	-
Items that will be reclassified subsequently to the Statement of Profit or Loss					
Currency Translation difference		137,031	(26,453)	-	-
Share of other comprehensive income of equity accounted investee	18 (a)	1,787	(967)	-	-
Share of other comprehensive income related tax of equity accounted investee	18 (a)	(534)	290	-	-
Other comprehensive income / (loss) for the year, net of tax		206,934	(109,611)	38,225	(18,316)
Total comprehensive income for the year, net of tax		7,487,178	5,309,928	3,795,252	2,389,908
Attributable to;					
- Owners of the company		6,466,542	4,473,060	3,795,252	2,389,908
- Non-controlling interests		1,020,636	836,868	-	-
Total comprehensive income for the year, net of tax		7,487,178	5,309,928	3,795,252	2,389,908

The notes on pages 126 to 188 form an integral part of these financial statements.

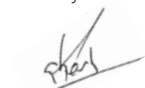
Independent auditor's report - pages 116 to 119.

STATEMENT OF FINANCIAL POSITION

(all amounts in Sri Lanka Rupees thousands)

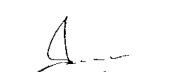
As at 31 March	Note	Group		Company	
		2026	2025	2026	2025
ASSETS					
Non-current assets					
Property, plant and equipment	12	6,265,953	6,125,116	2,316,010	2,403,622
Capital work in progress	13	290,031	336,298	-	-
Investment properties	14	2,528,500	1,828,750	1,221,500	639,750
Intangible assets	15	68,281	68,281	-	-
Right-of-use assets	16	17,691	11,053	-	-
Investment in subsidiaries	17	-	-	1,103,744	1,103,744
Investments accounted for using the equity method	18	835,278	804,004	345,093	345,093
Equity instruments measured at fair value through other comprehensive income	19	842,365	787,746	43,789	26,803
Investments in Fixed deposits	23	50,896	-	-	-
		10,898,995	9,961,248	5,030,136	4,519,012
Current assets					
Inventories	20	14,127,933	12,465,120	8,598,594	7,240,740
Trade and other receivables	21	10,854,053	7,319,316	5,835,166	3,568,094
Financial assets at fair value through Profit or Loss	22	8,723,003	5,957,483	1,191,260	1,088,623
Investments in Fixed deposits	23	6,601,760	5,873,609	1,499,740	1,237,539
Cash and cash equivalents	24	1,637,194	2,077,022	404,936	1,056,432
		41,943,943	33,692,550	17,529,696	14,191,428
Total assets		52,842,938	43,653,798	22,559,832	18,710,440
EQUITY AND LIABILITIES					
Capital and reserves					
Stated capital	33	299,488	299,488	299,488	299,488
Revaluation reserve	34	3,511,079	3,516,523	1,651,103	1,651,103
General reserve	35	1,122,825	1,123,825	680,266	680,266
Fair value reserve of Equity instruments at FVOCI	36	238,586	196,861	33,544	16,558
Foreign currency translation reserve	37	177,111	107,225	-	-
Retained earnings		31,555,269	25,554,256	14,294,188	10,875,284
Equity attributable to owners of the company		36,904,358	30,798,178	16,958,589	13,522,699
Non-controlling interests		6,073,642	5,221,909	-	-
Total equity		42,978,000	36,020,087	16,958,589	13,522,699
Non-current liabilities					
Defined benefit obligations	28	592,189	555,328	269,986	277,329
Deferred income tax liabilities	29	1,543,416	1,204,042	548,187	417,946
Borrowings	26	71,712	120,319	57,528	95,497
Lease liabilities	16	18,474	409	-	-
		2,225,791	1,880,098	875,701	790,772
Current liabilities					
Trade and other payables	25	2,993,839	2,134,710	1,800,982	2,493,852
Current income tax liabilities	27	2,528,652	2,344,777	1,398,684	1,214,422
Lease liabilities	16	8,669	8,946	-	-
Borrowings	26	2,107,987	1,265,180	1,525,876	688,695
		7,639,147	5,753,613	4,725,542	4,396,969
Total liabilities		9,864,938	7,633,711	5,601,243	5,187,741
Total equity and liabilities		52,842,938	43,653,798	22,559,832	18,710,440

I certify that these financial statements have been prepared in compliance with the requirements of the Companies Act, No. 7 of 2007.



Mahesh Amarasiri
Group Chief Financial Officer

The Board of Directors is responsible for the preparation and presentation of these financial statements. These financial statements were authorised for issue by the Board of Directors on 31 August 2026.



U.G. Madanayake
Chairman



Suren Madanayake
Managing Director

The notes on pages 126 to 188 form an integral part of these financial statements.

Independent auditor's report - pages 116 to 119.

STATEMENT OF CHANGES IN EQUITY - GROUP

		Attributable to owners of the parent								
	Note	Stated capital	Revaluation reserve	General reserve	Fair value reserve of Equity instruments at FVOCI	Foreign currency translation reserve	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 1 April 2024		299,488	3,505,056	1,123,825	260,791	120,716	21,314,711	26,624,587	4,381,917	31,006,504
Profit for the year		-	-	-	-	-	4,579,459	4,579,459	840,078	5,419,537
Fair value adjustment for equity instruments at fair value through other comprehensive income	36	-	-	-	(105,794)	-	-	(105,794)	9,752	(96,042)
Deferred tax on the fair value adjustment for equity instruments at fair value through other comprehensive income	29(b)	-	-	-	41,864	-	-	41,864	-	41,864
Currency Translation difference		-	-	-	-	(13,491)	-	(13,491)	(12,962)	(26,453)
Re-measurements of defined employment benefit obligations	28(c)	-	-	-	-	-	(64,362)	(64,362)	-	(64,362)
Deferred tax on re-measurement of defined employment benefit obligations	29(b)	-	-	-	-	-	19,150	19,150	-	19,150
Deferred tax on revaluation surplus	29(b)	-	16,911	-	-	-	-	16,911	-	16,911
Share of other comprehensive income of equity accounted investee	18(a)	-	-	-	-	-	(967)	(967)	-	(967)
Share of other comprehensive income related tax of equity accounted investee	18(a)	-	-	-	-	-	290	290	-	290
Total comprehensive income for the year		-	16,911	-	(63,930)	(13,491)	4,533,570	4,473,060	836,868	5,309,928
Adjustment on changes to non controlling interest in subsidiary		-	-	-	-	-	-	-	106,150	106,150
Transfer from revaluation reserve net of tax	34(a)	-	(5,444)	-	-	-	5,444	-	-	-
Dividends	11	-	-	-	-	-	(299,468)	(299,468)	(103,026)	(402,494)
Balance as at 31 March 2025		299,488	3,516,523	1,123,825	196,861	107,225	25,554,256	30,798,178	5,221,909	36,020,087
Balance at 1 April 2025		299,488	3,516,523	1,123,825	196,861	107,225	25,554,256	30,798,178	5,221,909	36,020,087
Profit for the year		-	-	-	-	-	6,337,879	6,337,879	942,365	7,280,244
Fair value adjustment for equity instruments at fair value through other comprehensive income	36	-	-	-	43,393	-	-	43,393	11,126	54,519
Deferred tax on the fair value adjustment for equity instruments at fair value through other comprehensive income	29(b)	-	-	-	(1,668)	-	-	(1,668)	-	(1,668)
Currency Translation difference		-	-	-	-	69,886	-	69,886	67,145	137,031
Re-measurements of defined employment benefit obligations	28(c)	-	-	-	-	-	23,328	23,328	-	23,328
Deferred tax on re-measurement of defined employment benefit obligations	29(b)	-	-	-	-	-	(7,529)	(7,529)	-	(7,529)
Share of other comprehensive income of equity accounted investee	18(a)	-	-	-	-	-	1,787	1,787	-	1,787
Share of other comprehensive income related tax of equity accounted investee	18(a)	-	-	-	-	-	(534)	(534)	-	(534)
Total comprehensive income for the year		-	-	-	41,725	69,886	6,354,931	6,466,542	1,020,636	7,487,178
Adjustment on changes to non controlling interest in subsidiary		-	-	-	-	-	-	-	-	-
Transfer from revaluation reserve net of tax	34(a)	-	(5,444)	-	-	-	5,444	-	-	-
Dividends	11	-	-	(1,000)	-	-	(359,362)	(360,362)	(168,903)	(529,265)
Balance as at 31 March 2026		299,488	3,511,079	1,122,825	238,586	177,111	31,555,269	36,904,358	6,073,642	42,978,000

The notes on pages 126 to 188 form an integral part of these financial statements.

Independent auditor's report - pages 116 to 119.

STATEMENT OF CHANGES IN EQUITY - COMPANY

(all amounts in Sri Lanka Rupees thousands)

	Note	Stated capital	Revaluation reserve	General reserve	Fair value reserve of Equity instruments at FVOCI	Retained earnings	Total
Balance at 1 April 2024		299,488	1,651,103	680,266	7,117	8,794,286	11,432,260
Profit for the year		-	-	-	-	2,408,224	2,408,224
Fair value adjustment for equity instruments at fair value through other comprehensive income	36	-	-	-	9,441	-	9,441
Re-measurements of defined employment benefit obligations	28(c)	-	-	-	-	(39,654)	(39,654)
Deferred tax on re-measurement of defined employment benefit obligations	29(b)	-	-	-	-	11,896	11,896
Total comprehensive income for the year		-	-	-	9,441	2,380,466	2,389,908
Dividends	11	-	-	-	-	(299,468)	(299,468)
Balance as at 31 March 2025		299,488	1,651,103	680,266	16,558	10,875,284	13,522,699
Balance at 1 April 2025		299,488	1,651,103	680,266	16,558	10,875,284	13,522,699
Profit for the year		-	-	-	-	3,757,027	3,757,027
Fair value adjustment for equity instruments at fair value through other comprehensive income	36	-	-	-	16,986	-	16,986
Re-measurements of defined employment benefit obligations	28(c)	-	-	-	-	30,342	30,342
Deferred tax on re-measurement of defined employment benefit obligations	29(b)	-	-	-	-	(9,103)	(9,103)
Total comprehensive income for the year		-	-	-	16,986	3,778,266	3,795,252
Dividends	11	-	-	-	-	(359,362)	(359,362)
Balance as at 31 March 2026		299,488	1,651,103	680,266	33,544	14,294,188	16,958,589

The notes on pages 126 to 188 form an integral part of these financial statements.

Independent auditor's report - pages 116 to 119.

STATEMENT OF CASH FLOWS

		Group		Company	
For the year ended 31 March	Note	2026	2025	2026	2025
Cash flows from operating activities					
Cash generated from / (used in) operations	38	4,273,435	6,299,835	(47,893)	2,441,787
Interest paid	8	(128,183)	(266,993)	(111,572)	(167,920)
Defined benefit obligations paid	28	(40,161)	(55,180)	(23,979)	(21,853)
Income tax paid less refund received	27	(2,670,299)	(2,048,707)	(1,137,372)	(776,233)
Net cash generated from / (used in) operating activities		1,434,792	3,928,955	(1,320,816)	1,475,781
Cash flows from Investing activities					
Interest received	8	838,286	397,178	29,933	62,379
Purchase of property, plant and equipment	12	(355,058)	(250,294)	(26,739)	(9,730)
Cost incurred on capital work in progress	13	(44,996)	(56,533)	-	-
Dividend received	5	6,474	2,745	357,241	311,418
Investments in equity instruments at fair value through other comprehensive income	19	(100)	(414)	-	(414)
Investment in fixed deposits	23	(3,385,353)	(29,579)	(130,966)	(29,579)
Investments in financial assets at fair value through profit or loss	22	(5,143,000)	(5,160,000)	-	(500,000)
Withdrawal of fixed deposits	23	2,990,439	860,263	-	-
Withdrawals of financial assets at fair value through profit or loss	22	2,963,000	1,155,236	-	-
Proceeds from disposal of property, plant and equipment	5	1,939	847	-	-
Net cash (used in) / generated from investing activities		(2,128,369)	(3,080,548)	229,469	(165,925)
Cash flows from financing activities					
Long term borrowings net of payments	26	(48,607)	(214,922)	(37,969)	(134,659)
Short term borrowings net of payments	26	743,799	(292,360)	750,000	(350,000)
Principal elements of lease payments	16	(12,187)	(11,263)	-	-
Proceeds from share issue of subsidiary		-	106,150	-	-
Dividend paid by the Company	11	(359,362)	(299,468)	(359,362)	(299,468)
Dividend paid by subsidiary to non-controlling interests		(168,903)	(103,026)	-	-
Net cash generated from / (used in) financing activities		154,740	(814,890)	352,669	(784,127)
Net (decrease)/ increase in cash and cash equivalents		(538,836)	33,517	(738,677)	525,728
Cash and cash equivalents at the beginning of the year		2,019,568	1,986,051	1,017,737	492,009
Cash and cash equivalents at the end of the year	24	1,480,732	2,019,568	279,060	1,017,737

The notes on pages 126 to 188 form an integral part of these financial statements.

Independent auditor's report - pages 116 to 119.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

1 GENERAL INFORMATION

General Information of the Company;

ACL Cables PLC is a public limited liability company registered under the Companies Act, No. 7 of 2007. ACL Cables PLC was incorporated on 1 March 1962 under the Companies Ordinance No. 51 of 1938 as Associated Cables Ltd and on 8 January 1991 the name was changed to ACL Cables Limited. ACL Cables PLC is a Public Limited Liability Company listed on the Colombo Stock Exchange and domiciled in Sri Lanka. The registered office and the

principal place of business of the Company is located at No. 60, Rodney Street, Colombo 08.

ACL Cables PLC does not have an identifiable parent of its own. The Company is the ultimate parent of the Group.

1.1 Principal Activities and Nature of Operations

The principal activities of ACL Cables PLC are manufacturing cables and conductors.

General Information of the entities in the Group;

Company	Date of Incorporation	Principal Business Activities
Kelani Cables PLC	18.12.1972	Manufacturing and selling of power cables, telecommunication cables and enameled winding wires
ACL Plastics PLC	17.07.1991	Manufacturing cable grade PVC compound
Ceylon Bulbs & Electricals Ltd	16.10.1957	Dormant
Lanka Olex Cables (Pvt) Ltd	22.02.1993	Investing Company
ACL Kelani Magnet Wire (Pvt) Ltd	29.06.2000	Dormant
ACL Polymers (Pvt) Ltd	06.09.2005	Manufacturing PVC Compound
ACL Metals & Alloys (Pvt) Ltd	05.09.2005	Manufacturing and selling aluminium rods, alloys of aluminium and other metals
Ceylon Copper (Pvt) Ltd	17.06.2011	Manufacturing of copper rods, bus bars, strips, profiles, catenary wires and tubes for local market.
ACL Electric (Pvt) Ltd	08.11.2012	Manufacturing of electrical accessories
Cable Solutions PLC	25.02.2008	Manufacturing of cables and accessories
Cable Solutions Pvt Ltd	18.01.2023	Manufacturing cable harness
Equity accounted investee		
RESUS Energy PLC	11.06.2003	Power and energy generation

1.2 Approval of Financial Statements by the Board of Directors

The Company's and the Group's financial statements were authorised for issue by the Board of Directors on 31 August 2026.

2 BASIS OF PREPARATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and statement of compliance

The financial statements of the Company and the Group have been prepared in accordance with Sri Lanka Accounting Standards, which comprise Sri Lanka Financial Reporting Standards ("SLFRS"s), Sri Lanka Accounting Standards ("LKAS"s), relevant interpretations of the Standing Interpretations Committee ("SIC") and International Financial Reporting Interpretations Committee ("IFRIC"). Sri Lanka Accounting Standards further comprises of Statements of Recommended Practices (SoRPs), Statements of Alternate

Treatments (SoATs) and Financial Reporting Guidelines issued by the Institute of Chartered Accountants of Sri Lanka. These financial statements have been prepared under the historical cost convention except for financial assets and liabilities which are measured at fair value. The preparation of financial statements in conformity with Sri Lanka Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's and the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Company's and the Group's financial statements are disclosed in note 2.4 to the financial statements.

In the current year, the group has applied a number of amendments to Sri Lanka Accounting Standards issued by the Institute of Chartered Accountants of Sri Lanka (ICASL) that are mandatorily effective for an accounting period that begins on or after 1 January 2025. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

(a) New and amended SLFRS Accounting Standards that are effective for the first time during the current year

In the current year, the group/company has applied the below amendment to Sri Lanka Accounting Standards issued by the CA Sri Lanka that are mandatorily effective for an accounting period that begins on or after 1 January 2025.

(i) Amendments to LKAS 21 The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not.

The amendments state that a currency is exchangeable into another currency when an entity is able to obtain the other currency within a time frame that allows for a normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create enforceable rights and obligations.

An entity assesses whether a currency is exchangeable into another currency at a measurement date and for a specified purpose. If an entity is able to obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose, the currency is not exchangeable into the other currency.

The assessment of whether a currency is exchangeable into another currency depends on an entity's ability to obtain the other currency and not on its intention or decision to do so.

When a currency is not exchangeable into another currency at a measurement date, an entity is required to estimate the spot exchange rate at that date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions.

The amendments do not specify how an entity estimates the spot exchange rate to meet that objective. An entity can use an observable exchange rate without adjustment or another estimation technique.

(b) New and revised SLFRS Accounting Standards in issue but not yet effective

The following new accounting standards and interpretations are issued by IASB but not yet adopted by CA Sri Lanka except for SLFRS 18 and SLFRS 19.

(i) Amendments to SLFRS 9 and SLFRS 7 - Classification and Measurement of Financial Instruments

These amendments clarify the requirements for the timing of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system. These amendments further clarify and add further guidance

for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion.

These amendments add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and make updates to the disclosures for equity instruments designated at Fair Value through Other Comprehensive Income (FVOCI).

The amendments are effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted.

The directors of the company anticipate that the application of these amendments may have an impact on the group's/ company's consolidated financial statements in future periods.

(ii) SLFRS 18 Presentation and Disclosures in Financial Statements

SLFRS 18 replaces LKAS 1, carrying forward many of the requirements in LKAS 1 unchanged and complementing them with new requirements. In addition, some LKAS 1 paragraphs have been moved to LKAS 8 and SLFRS 7.

SLFRS 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation.

An entity is required to apply SLFRS 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. SLFRS 18 requires retrospective application with specific transition provisions.

The directors of the company anticipate that the application of these amendments may have an impact on the group's/ company's consolidated financial statements in future periods.

(iii) SLFRS 19 Subsidiaries without Public Accountability: Disclosures

SLFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying SLFRS Accounting Standards in its financial statements.

A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with SLFRS Accounting Standards.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

SLFRS 19 is optional for subsidiaries that are eligible and sets out the disclosure requirements for subsidiaries that elect to apply it.

An entity is only permitted to apply SLFRS 19 if, at the end of the reporting period:

- it is a subsidiary (this includes an intermediate parent)
- it does not have public accountability, and
- its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with SLFRS Accounting Standards.

Eligible entities can apply SLFRS 19 in their consolidated, separate or individual financial statements. An eligible intermediate parent that does not apply SLFRS 19 in its consolidated financial statement may do so in its separate financial statements.

The new standard is effective for reporting periods beginning on or after 1 January 2027 with earlier application permitted.

The directors of the company do not anticipate that SLFRS 19 will be applied for purposes of the consolidated financial statements of the Group/ company.

(iv) Annual improvements to IFRS – Volume 11

Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards:

IFRS 1 First-time Adoption of International Financial Reporting Standards;

IFRS 7 Financial Instruments: Disclosures

IFRS 9 Financial Instruments;

IFRS 10 Consolidated Financial Statements; and

IAS 7 Statement of Cash Flows.

These annual improvements are effective for annual periods beginning on or after 1 January 2026 with earlier application permitted.

The directors of the company anticipate that the application of these amendments may have an impact on the group's/ company's consolidated financial statements in future periods.

(v) Contracts Referencing Nature-dependent Electricity – Amendments to SLFRS 9 and SLFRS 7

The amendments apply only to contracts that reference nature-dependent electricity; the amendments:

- Clarify the application of the 'own-use' requirements for in-scope contracts
- Amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts
- Add new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The amendments will take effect for annual reporting periods starting on or after 1 January 2026. Early adoption is allowed, but it must be disclosed. The amendments concerning the own-use exception are to be applied retrospectively, while the hedge accounting amendments should be applied prospectively to new hedging relationships designated from the initial application date. Additionally, the SLFRS 7 disclosure amendments must be implemented alongside the SLFRS 9 amendments. If an entity does not restate comparative information, it cannot present comparative disclosures.

The directors of the company anticipate that the application of these amendments may have an impact on the group's/ company's consolidated financial statements in future periods.

(vi) Amendment to IAS 21 - Translation to a Hyper inflationary Presentation Currency

These narrow-scope amendments specify the translation procedures for an entity whose presentation currency is that of a hyper inflationary economy. The entity applies the amendments if:

- its functional currency is that of a non-hyper inflationary economy and it is translating its results and financial position into the currency of a hyper inflationary economy; or
- it is translating into the currency of a hyper inflationary economy the results and financial position of a foreign operation whose functional currency is that of a non-hyper inflationary economy.

The amendments aim to improve the usefulness of the resulting information in a cost-effective manner. Developed in response to stakeholder feedback, these amendments are expected to reduce diversity in practice and provide a clearer basis for reporting in a hyper inflationary currency.

The amendments are effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted.

The directors of the company anticipate that the application of these amendments may not have an impact on the group's/company's consolidated financial statements in future periods.

(vii) **Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37- Disclosures about Uncertainties in the Financial Statements**

The IASB has published the final version of a set of examples that illustrate the reporting of the effects of uncertainties in financial statements through climate-related fact patterns. The Examples demonstrate how to disclose the impacts of uncertainties within climate-related scenarios, but the principles and requirements are also applicable to disclosure of other uncertainties. The Examples do not add to or change requirements in IFRS Accounting Standards and therefore there are no transition requirements and effective date. Instead, these Examples will accompany the respective IFRS Accounting Standards to which they relate.

The directors of the company anticipate that the application of these amendments may have an impact on the group's/ company's consolidated financial statements in future periods.

2.2 Principles of consolidation

The Consolidated Financial Statements comprise the financial statements of the Parent and its subsidiaries in terms of the Sri Lanka Accounting Standard - SLFRS 10 on "Consolidated Financial Statements". Thus, the consolidated financial statements present financial information about the Group as a single economic entity distinguishing the equity attributable to minority shareholders with non - controlling interest.

(a) **Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

Transaction costs are expensed as incurred. The consideration transferred does not include amounts related to the settlement of pre existing relationships. Such amounts are generally recognised in profit or loss. Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) **Non - Controlling Interest (NCI)**

Non - Controlling Interest which represents the portion of profit or loss and net assets not held by the Group, are shown as a component of profit for the year in the Consolidated Statement of profit or loss and Statement of Comprehensive income and as a component of equity in the Consolidated Statement of financial position, separately from equity attributable to the shareholders of the parent.

(c) **Changes in ownership interests in subsidiaries without change of control**

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

(d) **Disposal of subsidiaries**

When the group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

(e) Associates

Associates are companies, partnerships or other entities in which the Group exercises significant influence, generally accompanying a shareholding of between 20% and 50% of the voting rights. Significant influence is power to participate in financial and operating policy decisions of the associates, but not power to exercise control or jointly control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method of accounting, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the Group's share of the post-acquisition results and changes of the associate's reserves in the consolidated statement of comprehensive income after the date of acquisition and net off with any accumulated impairment loss, if any. The Group's investment in associates includes goodwill identified on acquisition. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Profits and losses resulting from transactions between the Group and its associates are recognised in the Group's consolidated financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Equity accounting is discontinued when the Group ceases to have significant influence over the associates. If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income in the consolidated statement of comprehensive income is reclassified to profit or loss in the consolidated statement of comprehensive income where appropriate. The cost of acquiring an additional stake in an associate is added to the carrying amount of associate and equity accounted. Goodwill arising on the purchase of additional stake is computed using fair value information at the date the additional interest is purchased. The previously held interest is not re-measured. Dilution gains and losses arising in investments in associates are recognised in the consolidated statement of comprehensive income. The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates

the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the difference in the consolidated statement of comprehensive income.

(f) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the:

- fair values of the assets transferred
- liabilities incurred to the former owners of the acquired business
- equity interests issued by the group
- fair value of any asset or liability resulting from a contingent consideration arrangement, and
- fair value of any pre-existing equity interest in the subsidiary.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition-related costs are expensed as incurred.

The excess of the:

- consideration transferred,
- amount of any non-controlling interest in the acquired entity, and
- acquisition-date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

2.3 Foreign currencies

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entities operate ('The functional currency'). The consolidated financial statements are presented in Sri Lankan Rupees, which is the Company's and the Group's functional and presentation currency.

For each entity the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the statement of profit or loss within 'Finance income or cost'.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss and translation differences on non-monetary assets such as equities classified as at fair value through other comprehensive income are recognized in other comprehensive income.

(c) Foreign operations and subsidiaries with different functional currencies

The following subsidiary is using United States Dollar (USD) as its functional currency;

* Cable Solutions PLC

The following subsidiary is a foreign operation using Indian Rupee (INR) as its functional and reporting currency;

* Cable Solutions Private Limited - India

The Statement of Financial Position and Income Statement of above subsidiary which is deemed to be foreign operations are translated to Sri Lankan Rupees at the rate of exchange prevailing as at the reporting date and at the average annual rate of exchange for the period, respectively.

The Exchange rates applicable during the period were as follows:

	Reporting Date		Income statement	
	2026	2025	2026	2025
USD	315.19	297.88	305.23	296.34
INR	3.32	3.51	3.40	3.43

The exchange differences arising on the translation are taken directly to other comprehensive income.

2.4 Significant accounting judgements, estimates and Assumptions

The Group's financial statements and its financial result are influenced by accounting policies, assumptions, estimates and management judgement, which necessarily have to be made in the course of preparation of the financial statements.

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. All estimates and assumptions required in conformity with SLFRS are best estimates undertaken in accordance with the applicable standards.

Estimates and judgements are evaluated on a continuous basis, and are based on past experience and other factors, including expectations with regard to future events. Accounting policies and management's judgements for certain items are especially critical for the Group's results and financial situation due to their materiality.

(a) Impairment of financial assets

The Group recognises loss allowances for Expected Credit Loss (ECL) on financial assets measured at amortised cost.

Loss allowances for trade receivables is always measured at an amount equal to lifetime Expected Credit Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward- looking information. Refer 3.1 for more details.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

(b) Fair value of financial instruments

The fair values of financial instruments where no active market exists or where quoted prices are not otherwise available are determined by using valuation techniques. In these cases, the fair values are estimated from observable data in respect of similar financial instruments or using models. Where market observable inputs are not available, they are estimated based on appropriate assumptions.

(c) Fair value of property, plant and equipment

The Group revalues its land and buildings which are measured at its fair value at the date of revaluation less any subsequent accumulated depreciation and accumulated impairment losses. The Group has adopted a policy of revaluing assets by professional valuers at least every 3 years to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the reporting date. The valuation techniques, significant unobservable inputs, key assumptions used to determine the fair value of the land and building, and sensitivity analysis are provided in Note 12(k).

(d) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(e) Income tax

The Group is subject to income taxes and other taxes. Significant judgement was required to determine the total provision for current, deferred and other taxes. Refer Note 2.6 and 2.7 for more details.

(f) Useful life-time of the property, plant and equipment

The Group reviews the residual values, useful lives and methods of depreciation of assets at each reporting date. Judgement of the management estimates these values, rates, methods and hence they are subject to uncertainty. Refer Note 2.9 for more details.

(g) Useful life-time of the intangible assets

Goodwill

Goodwill on acquisitions of subsidiaries is included under intangible assets. Goodwill acquired in a business combination is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired and carried at less than costs less accumulated impairment losses. Refer Note 15 for more details.

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life of 4 years.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed 2 years.

(h) Defined benefit plans

The cost of defined benefit plans are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates, etc. All assumptions are reviewed at each reporting date. Refer Note 28(d) for the assumptions used to determine defined benefit obligations. Sensitivity analysis to key assumptions is disclosed in Note 28(e).

(i) Fair value of investment property

The fair value of investment properties are determined by using valuation techniques. The valuation techniques, significant unobservable inputs, key assumptions used to determine the fair value of the investment property, and sensitivity analysis are provided in Note 14(c).

2.5 Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred. However, borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets that take a substantial period of time to get ready for its intended use or sale, are capitalized as part of the respective assets. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds.

2.6 Tax Expense

2.6.1 Current Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted by the reporting date.

The provision for income tax is based on the elements of income and expenditure as reported in the financial statements and computed in accordance with the provisions of the relevant tax legislations.

Income tax rates of Group and Company

Name of the Entity	Country of Domicile	Tax Rates	
		2026	2025
ACL Cables PLC	Sri Lanka	30%	30%
ACL Plastics PLC	Sri Lanka	30%	30%
Kelani Cables PLC	Sri Lanka	30%	30%
Ceylon Copper Private Limited	Sri Lanka	30%	30%
ACL Metals and Alloys Private Limited	Sri Lanka	30%	30%
ACL Kelani Magnet Wire Private Limited	Sri Lanka	30%	30%
Cable Solutions PLC	Sri Lanka	15% , 30%	15% , 30%
ACL Electric Private Limited	Sri Lanka	30%	30%
ACL Polymers Pvt Ltd	Sri Lanka	30%	30%
Ceylon Bulbs Private Limited	Sri Lanka	30%	30%
Cable Solutions Pvt Ltd	India	24%	24%
Lanka Olex Private Limited	Sri Lanka	30%	30%

2.6.2 Indirect Tax

Revenues, expenses and assets are recognised net of the amount of sales tax, except:

* When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

* Receivables and payables that are stated with the amount of sales tax.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

Social Security Contribution Levy (SSCL) shall be paid by any person carrying on the business of manufacturing, supply of services or whole/ retail sales, on the liable turnover specified in the Second Schedule of the Social Security Contribution Levy Act No. 25 of 2022, at the rate of 2.5%, with effect from 1st October 2022 and subsequent amendments thereto.

2.7 Deferred taxation

Deferred income tax is provided in full, using the liability method, on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax assets are recognised for all deductible temporary differences, carry-forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry-forward of unused tax assets and unused tax losses can be utilised except where the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects

neither the accounting profit nor taxable profit or loss; and the carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relates to income taxes levied by the same taxation authority.

2.8 Financial Instruments - Initial Recognition and Subsequent Measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

2.8.1 Financial Assets - Initial Recognition and Measurement

Financial assets within the scope of SLFRS 9 are broadly categorised as financial assets at amortised cost, fair value through profit or loss and financial assets at fair value through other comprehensive income. The Company determines the classification of its financial assets at initial recognition. All financial assets are recognised initially at fair value plus (in the case of assets not at fair value through profit or loss) directly attributable transaction costs. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e, the date that Company commits to purchase or sell the asset.

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The Company's financial assets include bank balances, short term deposits, fair value through other comprehensive income (FVOCI) financial assets and fair value through profit or loss (FVPL) financial assets.

2.8.2 Subsequent Measurement

The subsequent measurement of financial assets depends on their classification as follows;

(a) Debt Instruments at Amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met;

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Financial assets at amortised cost are subsequently measured using the Effective Interest Rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Company's financial assets at amortised cost includes bank balances and short term deposits under current financial assets.

(b) Financial Assets classified under Fair Value through Other Comprehensive Income

Financial assets at fair value through other comprehensive income (FVOCI) only includes the equity instruments, which the Company intends to hold for the foreseeable future and which the Company has irrevocably elected to classify upon transition. There is no recycling of gains or losses to profit or loss on derecognition and the dividend received as a result of holding this investment will be recognised to profit or loss.

(c) Financial Assets classified under Fair Value through Profit or Loss

Financial assets at fair value through Profit or Loss are carried in the Statement of Financial Position at fair value with net changes in fair value recognised in the Statement of Profit or Loss. Investments in unit trust are included in financial assets fair value through profit or loss. Unit trusts are measured using market price in markets that are not active.

2.8.3 De - recognition

A financial asset is de - recognised when;

- The rights to receive cash flows from the asset have expired
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay

the received cash flows in full without material delay to a third party under a 'pass - through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered in to a pass through arrangement, and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of it, the asset is recognised to the extent of the Company's continuing involvement in it.

2.8.4 Impairment of Financial Assets

SLFRS 9 establishes a model for impairment which is a forward - looking expected credit loss model.

The Company assesses at each reporting date whether there is any objective evidence that a financial asset is impaired. The guiding principle of the Expected Credit Loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition.

2.8.5 Financial Assets categorized as Fair Value through OCI

The fair value of financial instruments that are traded in active markets at each reporting date is determined by reference to quoted market prices or dealer price quotations (bid price for long positions and ask price for short positions), without any deduction for transaction costs. For financial instruments not traded in an active market, the fair value is determined based on income approach that estimates the fair value by discounting projected cash flows in a discrete projection period to present value.

2.8.6 Financial Liabilities - Initial Recognition and Measurement

Financial liabilities are classified as financial liabilities at fair value through profit or loss, or at amortised cost, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. The Company's financial liabilities include other payables.

2.8.7 Subsequent Measurement

The subsequent measurement of financial liabilities depends on their classification as follows;

Other Payables

Liabilities are recognised for amounts to be paid in the future for assets or services received, whether billed by the supplier or not. The financial liabilities are subsequently measured at amortised cost using the (Effective Interest Rate) EIR method.

2.8.8 De - recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled, or expires.

2.8.9 Offsetting of Financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.9 Property, plant and equipment

Property, plant and equipment of the Company includes both owned assets and leased hold assets. Accounting policy for owned assets is detailed below and accounting policy for leased hold assets is detailed in Note 2.11.

2.9.1 Initial recognition

Owned assets

Property, plant & equipment are recognised if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the asset can be measured reliably in accordance with LKAS 16 on property, plant and equipment. Initially property, plant and equipment are measured at cost excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment losses. Where an item of property, plant & equipment comprises major components having different useful lives, they are accounted for as separate items of property, plant & equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will now to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Increases in the carrying amounts arising on revaluation of land and buildings are recognised, net of tax, in other comprehensive income and accumulated in reserves in shareholders' equity. To the extent that the increase reverses a decrease previously recognised in profit or loss, the increase is first recognised in profit or loss. Decreases that reverse previous increases of the same asset are first recognised in other comprehensive income to the extent of the remaining surplus attributable to the asset; all other decreases are charged to profit or loss. Each year, the difference between depreciation based on the revalued carrying amount of the asset charged to profit or loss and depreciation based on the asset's original cost, net of tax, is reclassified from the property, plant and equipment revaluation surplus to retained earnings.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is group policy to transfer any amounts included in other reserves in respect of those assets to retained earnings.

2.9.2 Subsequent measurement

Expenditure incurred to replace a component of an item of property, plant and equipment is accounted for separately, including major inception & overhaul expenditure and capitalized only when it increases the future economic benefits embodied in the item of property, plant & equipment. All other expenditure is recognized in the Statement of profit or loss as an expense incurred.

Depreciation is calculated on a straight line basis over the useful lives of the assets using the following rates.

Asset	Years
Factory buildings	25 - 40
Plant, machinery and accessories	8 - 45
Factory equipment	8 - 10
Electrical fittings	8 - 10
Furniture, fixtures and fittings	4 - 10
Office equipment	4 - 10
Motor vehicles	4 - 5
Tools and implements	4 - 10

The assets' residual values, useful lives and methods of depreciation are reviewed at each reporting date and adjusted prospectively, if appropriate.

2.9.3 Derecognition

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of profit or loss when the asset is derecognised.

2.9.4 Capital Work in Progress

Capital expenses incurred during the year which are not completed as at the reporting date are shown as capital work in progress. These are stated in the Statement of Financial Position at cost less any accumulated impairment losses. Capital work in Progress is transferred to the relevant asset when it is in the location and condition necessary for it to be capable of operating in the manner intended by the Management. (i.e., available for use)

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2.10 Intangible assets

Basis of Recognition

An intangible asset is recognized if it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the asset can be reliably measured.

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is included under intangible assets. Goodwill acquired in a business combination is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired and carried at less than costs less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Negative goodwill arising on an acquisition represents the excess of the fair value of the net assets acquired over the cost of acquisition. Negative goodwill is recognized immediately in the Statement of profit or loss.

Goodwill is allocated to 'Cash-Generating Units' (CGU) for the purpose of impairment testing. Each CGU or a group of CGUs represents the lowest level within the Group at which goodwill is monitored for internal management purposes and which are expected to benefit from the synergies of the combination.

(b) Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful life of 4 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. These directly attributable costs include the software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which do not exceed 2 years.

Costs relating to development of software are carried in capital work in progress until the software is available for use.

Other development expenditures that do not meet the relevant criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

2.11 Leases

The Group's lease hold property includes land and buildings. Rental contract is typically made as per the initial rental or lease agreement, but may have extension options as described in 2.11 (ii) below.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received

- makes adjustments specific to the lease, e.g. term, country, currency and security.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

(i) Variable lease payments

Some leases contain variable payments that are linked to the usage / performance of the leased asset. Such payments are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

(ii) Extension and termination options

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Group assesses at the lease commencement date whether it is reasonably certain to exercise the extension options. If there is a significant event or significant change in circumstances within control, the Group reassesses whether it is reasonably certain to exercise the options.

Until 31 March 2020, leases of property, plant and equipment where the Group, as lessee, had substantially all the risks and rewards of ownership were classified as finance leases. Finance leases were capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, were included in other short-term and long-term payables. Each lease payment was allocated between the liability and finance cost. The finance cost was charged to profit or loss over the lease period so as to produce a constant periodic rate

of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases was depreciated over the asset's useful life, or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

2.12 Investment properties

Properties held to earn rental income or properties held for capital appreciation or both and not occupied substantially for the supply of goods or services or in administration, and not intended for sale in the ordinary course of business have been classified as investment property. Investment properties are initially recognised at cost. Subsequent to initial recognition the investment properties are stated at fair value, which reflects market conditions as at balance sheet date.

Gains or losses arising from changes in fair value are included in the Statement of profit or loss in the year in which they arise.

Investment properties are derecognised when disposed, or permanently withdrawn from use because no future economic benefits are expected. Any gains or losses on retirement or disposal are recognised in the Statement of profit or loss in the year of retirement or disposal.

Where the Group occupies a significant portion of the investment property, such investment properties are treated as property, plant and equipment in the financial statements and accounted for as per LKAS - 16, Property, plant and equipment.

2.13 Impairment of non financial assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount

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does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased.

Previously recognised impairment losses, are reversed only if there has been an increase in the recoverable amount of the asset. Such increase is recognised to the extent of the carrying amount had no impairment losses been recognised previously.

For goodwill, recoverable amount is estimated at each balance sheet date or as and when an indication of impairment is identified.

Impairment losses are recognised in respect of subsidiaries acquired, are allocated first to reduce the carrying amount of any goodwill allocated to the entity and then to reduce the carrying amount of the other assets in the entity on a pro rata basis. Impairment losses are recognised in the Statement of profit or loss.

2.14 Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks other short term highly liquid investments with original maturities of three months or less. For the purpose of cash flow statement, cash and cash equivalents includes, cash in hand and investments with original maturities of three months or less net of outstanding bank overdrafts.

2.15 Investments in subsidiaries in separate Financial statements

In the Company's financial statements, investments in subsidiaries have been accounted for at cost, net of any impairment losses which are charged to the Statement of profit or loss. Income from these investments is recognised only to the extent of dividends received.

2.16 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method. The cost of the inventory comprises purchase price, taxes (other than those subsequently recoverable by the Group from the tax authorities), and transport, handling and other costs directly attributable to the acquisition of inventories. It excludes the borrowing costs. Trade discounts, rebates and other similar items are deducted in determining the costs of purchase. Net realisable value is the estimate of the selling price in the ordinary course of business, less the costs of completion and selling expenses.

2.17 Trade and other receivables

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value.

For trade receivables, the Group applies the simplified approach permitted by SLFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.18 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expired.

2.19 Trade and other payables

Liabilities classified as trade and other payables in the balance sheet are those which fall due for payment on demand or within one year from the balance sheet date. Items classified as non-current liabilities are those which fall due for payment beyond a period of one year from the balance sheet date.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.20 Provisions

Provisions for legal claims, service warranties and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, where it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and where appropriate, the risks specific to the liability. Where discounting is used the increase in the provision due to the passage of time is recognised as an interest expense.

2.21 Defined benefit plans - gratuity

All the employees of the Group are eligible for gratuity under the Gratuity Act No. 12 of 1983. The Group measures the present value of the promised retirement benefits of gratuity which is a defined benefit plan with the advice of an actuary using the Projected Unit Credit Method. The actuarial valuation involves making assumptions about discount rate, expected rates of return on assets, future salary increases and mortality rates. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty. All assumptions are reviewed at each reporting date. Accordingly, the employee benefit liability is based on the actuarial valuation carried out by Messrs Actuarial & Management Consultants (Pvt) Ltd.

Actuarial gains and losses arising from the experience adjustments and changes in actuarial assumptions are charged or credited to comprehensive income in the year in which they arise.

Past service costs are recognised immediately in income, unless the change to the pension plan are conditional on the employees remaining in service for a specified period of time (the vesting period). In this case the past service costs are amortised on straight line basis over the vesting period.

Valuer has considered an adjusted risk free rate for financial reporting purposes for the current year by adjusting both present country rating default spread and Pre-pandemic default spread to the Treasury bond rate considering the current economic context of the country.

The liability is not externally funded.

2.22 Defined contribution plans - Employees' Provident Fund and Employees' Trust Fund

Employees are eligible for Employees' Provident Fund contribution and Employees Trust Fund contribution in line

with respective statutes and regulations. The company contributes 12% and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

2.23 Contingent assets and Contingent liabilities

All contingent assets are disclosed where inflow of economic benefits is probable.

All contingent liabilities are disclosed as a note to the financial statements unless the outflow of resources is remote.

2.24 Revenue recognition

Revenue from contracts with customers, establishes a comprehensive framework for determining whether, how much and when revenue is recognised. The Group recognises when a customer obtains control of the goods or services. Judgement is used to determine the timing of transfer of control - at a point in time or over time.

Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customer, usually on delivery of the goods. Sales are measured at fair value of the consideration received or receivable excluding amounts collected on behalf of third parties (e.g. Sales Taxes) and variable consideration (e.g. discounts and rebates). Credit term provided for the customer is on average 30 days from the sale of goods.

2.25 Other Income

Interest income is recognised on an accrual basis. Dividend income is recognised when the shareholder's right to receive the payment is established.

Net gains and losses of a revenue nature arising from the disposal of property, plant and equipment and other non current assets, including investments, are accounted for in the Statement of profit or loss, after deducting from the proceeds on disposal, the carrying amount of such assets and the related selling expenses. Gains and losses arising from activities incidental to the main revenue generating activities and those arising from a group of similar transactions which are not material are aggregated, reported and presented on a net basis.

Other income is recognised on an accrual basis.

2.26 Expenditure recognition

Expenses are recognised in the Statement of profit or loss on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant and equipment in a state of efficiency has been charged to the Statement of profit or loss.

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2.27 Dividends on ordinary shares

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the shareholders. Dividends for the year that are approved after the reporting date are disclosed as an event after the reporting date.

2.28 Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

2.29 Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business / industry segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The segment information has been prepared in accordance with the accounting policies adopted for preparing and presenting the financial statements.

2.30 Earnings per share

The Group presents basic earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the year.

2.31 Statement of cash flows

The statement of cash flows is prepared using the indirect method as stipulated in LKAS 7 Statement of Cash Flows. Cash and cash equivalents for the purpose of statement of cash flows comprise cash in hand, balances at banks, short term deposits with a maturity of three months or less net of outstanding bank overdrafts, if any.

2.32 Directors' responsibilities statement

Directors acknowledge the responsibilities for the true and fair presentation of the financial statements in accordance with the books of accounts and the Sri Lanka Accounting Standards and the requirements of the Companies Act No. 7 of 2007.

2.33 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousand currency units unless otherwise stated.

2.34 Materiality and Aggregation

Each material class of similar items is presented separately. Items of dissimilar nature or function are presented separately unless they are immaterial.

2.35 Offsetting

Assets and liabilities or income and expenses are not offset unless required or permitted by Sri Lanka Accounting standards.

2.36 Current Versus Non-Current Classification

The Group presents assets and liabilities in statement of financial position based on current/non-current classification. An asset as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Board of Directors of the Company regularly reviews its exposure to various kinds of risk factors with the ultimate objective to deliver superior shareholder value between risk and return. The Board oversees market risk, operational risk, credit risk and liquidity risk giving special consideration in broader aspects to the Company's exposure to interest rate fluctuations and exchange rate fluctuations in the market. Based on the economic outlook and the Company's exposure to these risks, the Board of the Company approves various risk management strategies from time to time.

The Company's principal financial liabilities comprise short term borrowings, trade and other payables and bank overdrafts. The main purpose of these financial liabilities is to raise finances for the Company's operations. The Company has various financial assets such as trade and other receivables, other investments, loans and cash balances, which arise directly and indirectly from its operations.

The Board of Directors reviews and agrees policies for managing each of these risks which are summarized below.

(a) Market risk

Market risk is the risk that changes in market prices, such as interest rates, foreign exchange rates and equity prices will affect the Company's profit or equity. The objective of market risk management is to manage and control the market risk exposure within acceptable parameters, while optimizing return.

The sensitivity analysis in the following sections relate to the position as at 31 March 2026 and 31 March 2025.

The following assumptions have been made in calculating the sensitivity analysis:

- * The sensitivity of the relevant Statement of profit or loss item is the effect of the assumed changes in respective market risks.
- * This is based on the financial assets and financial liabilities held at 31 March 2026 and 31 March 2025.
- * The statement of financial position sensitivity relates to equity instruments designated at fair value through OCI.

(i) Foreign exchange risk

The Company is exposed to currency risk on goods sold and raw materials imported that are denominated in currencies other than Sri Lankan rupees (LKR). The Company manages its currency risk by a natural hedging mechanism to a certain extent by matching currency outflows for repayments on raw material imported with currency inflows for goods sold in foreign currencies.

As at 31st March 2026, rupee fell by 7% against the US dollar compared to its closing rate on 31st March 2025.

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The summary quantitative data about the Group's and Company's exposure to currency risk as reported to the management as follows,

Group	31 March			
	2026		2025	
	USD	LKR	USD	LKR
Trade receivables	2,144	683,122	4,012	1,205,812
Trade payables	(250)	(79,517)	872	261,987
Cash in bank	20,980	6,684,258	18,225	5,478,052

Company	31 March			
	2026		2025	
	USD	LKR	USD	LKR
Trade receivables	184	58,620	1,168	351,077
Trade payables	411	130,986	273	81,990
Cash in bank	4,719	1,503,353	5,158	1,550,339

The assumed movement, in the spread of the exchange rate sensitivity analysis, is based on the current observable market environment.

Amounts recognised in profit or loss and other comprehensive income.

During the year, the following foreign-exchange related amounts were recognised in Statement of profit or loss and other comprehensive income:

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Amounts recognised in profit or loss				
Foreign exchange gain included in finance cost	494,364	1,625	148,871	-
Foreign exchange loss included in finance cost	-	(99,069)	-	(21,905)
Total net foreign exchange (losses)/gains recognised in profit before income tax for the period	494,364	(97,444)	148,871	(21,905)

As shown in the table above, the company is primarily exposed to changes in US/(presentation currency units) exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from US dollar denominated financial instruments.

For the year ended 31st March	Increase/(decrease) in exchange rate USD	Group	Company
2026	+ 7.5%	558,517	126,972
	- 7.5%	(558,517)	(126,972)
2025	+ 7.5%	523,761	148,755
	- 7.5%	(523,761)	(148,755)

(ii) Interest rate risk

Interest rate risk mainly arises as a result of the Group having interest sensitive assets and liabilities, which are directly, impacted by changes in the interest rates. The Group's borrowings and investments are maintained in a mix of fixed and variable interest rate instruments and periodical maturity gap analysis is carried out to take timely action and to mitigate possible adverse impact due to volatility of the interest rates.

Profit or loss is sensitive to higher/lower interest income from cash and cash equivalents as a result of changes in interest rates.

For the year ended 31st March	Increase/(decrease) in interest rate	Group	Company
2026	+ 5%	6,218	5,579
	- 5%	(6,218)	(5,579)
2025	+ 5%	8,313	7,301
	- 5%	(8,313)	(7,301)

The spread of basis points for the interest rate sensitivity analysis is assumed based on movement of base floating interest rates in the market during financial year 2025/26.

(iii) Price risk

The Group's listed and unlisted equity securities are susceptible to market price risk arising from uncertainties about future values of the investment securities. The Group manages the equity price risk through diversification and placing limits on individual and total equity instruments. Reports on the equity portfolio are submitted to the Group's senior management on a regular basis. The Group's Board of Directors reviews and approves all equity investment decisions.

The following table demonstrates the sensitivity of the cumulative changes in fair value to reasonably possible changes in equity prices, with all other variables held constant. The effect of decreases in equity prices is expected to be equal and opposite to the effect of the increase shown.

Group	Change in equity price	Effect on profit	Effect on equity
31 March 2026	10%	-	84,236
31 March 2025	10%	-	78,775
Company	Change in equity price	Effect on profit	Effect on equity
31 March 2026	10%	-	4,379
31 March 2025	10%	-	2,680

The Group also has unquoted investments carried at fair value where the impact of changes in equity prices will only be reflected when the investment is sold or deemed to be impaired, when the income statement will be impacted.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

(b) Credit risk

Credit risk is managed on Group basis, except for credit risk relating to accounts receivable balances. Each local entity is responsible for managing and analysing the credit risk for each of their new clients before standard payment and delivery terms and conditions are offered. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to wholesale and retail customers, including outstanding receivables and committed transactions. For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted. If wholesale customers are independently rated, these ratings are used. If there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of credit limits is regularly monitored. Sales to retail customers are settled in cash or using major credit cards.

Trade receivables

The Group applies the SLFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

On that basis, the loss allowance as at 31 March 2026 and 31 March 2025 was determined as follows for trade receivables.

Group

Year	Neither Past Due nor Impaired Rs'000	< 60 days Rs'000	61 -90 days Rs'000	91 -180 days Rs'000	181 -365 days Rs'000	> 365 days Rs'000	Total (Gross) Rs'000	Provision for Doubtful debts Rs'000	Total (Net) Rs'000
2026	2,758,700	2,324,439	1,296,046	957,844	160,554	489,609	7,987,192	604,330	7,382,862
2025	2,161,963	1,565,691	532,112	437,572	45,743	521,121	5,264,205	608,652	4,655,553

Company

Year	Neither Past Due nor Impaired Rs'000	< 60 days Rs'000	61 -90 days Rs'000	91 -180 days Rs'000	181 -365 days Rs'000	> 365 days Rs'000	Total (Gross) Rs'000	Provision for Doubtful debts Rs'000	Total (Net) Rs'000
2026	1,425,931	1,075,416	931,564	825,237	5,369	422,744	4,686,261	498,875	4,187,386
2025	1,084,884	785,615	146,065	239,288	(4,224)	414,798	2,666,426	488,683	2,177,743

The loss allowances for trade receivables as at 31 March reconcile to the opening loss allowances as follows:

	Group		Company	
	2026	2025	2026	2025
Opening loss allowance at 1 April	608,652	665,439	488,683	470,414
Increase in loss allowance recognised in profit or loss during the year				
- as per collective impairment provision	24,931	32,279	24,000	24,001
- as per individual impairment provision	-	-	-	-
Written-off during the year previously impaired	(29,253)	(88,791)	(13,809)	(5,732)
Currency translation difference	-	(275)	-	-
Closing loss allowance at 31 March	604,330	608,652	498,874	488,683

Trade receivables are written off where there is no reasonable expectation of recovery. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item. .

(c) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation and is to maintain a balance between continuity of funding and flexibility through the use of borrowings and bank overdrafts.

The table below summarises the maturity profiles of the Group's financial liabilities based on contractual undiscounted payments.

Group	Less than 1 year	Between 1 and 2 years	Between 2 and 6 years	Over 6 years	Total
Financial liabilities					
At 31 March 2026					
Trade & other payables (excluding statutory liabilities)	2,825,252	-	-	-	2,825,252
Borrowings	1,951,525	71,712	-	-	2,023,238
Lease liabilities	8,669	18,474	-	-	27,142
Bank overdrafts	156,462	-	-	-	156,462
Total financial liabilities	4,941,909	90,186	-	-	5,032,094
At 31 March 2025					
Trade & other payables (excluding statutory liabilities)	1,999,078	-	-	-	1,999,078
Borrowings	1,207,726	107,753	12,566	-	1,328,045
Lease liabilities	8,946	409	-	-	9,355
Bank overdrafts	57,454	-	-	-	57,454
Total financial liabilities	3,273,204	108,162	12,566	-	3,393,932

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Company	Less than 1 year	Between 1 and 2 years	Between 2 and 6 years	Over 6 years	Total
Financial liabilities					
At 31 March 2026					
Trade & other payables (excluding statutory liabilities)	1,737,730	-	-	-	1,737,730
Borrowings	1,400,000	57,528	-	-	1,457,528
Bank overdrafts	125,876	-	-	-	125,876
Total financial liabilities	3,263,606	57,528	-	-	3,321,134
At 31 March 2025					
Trade & other payables (excluding statutory liabilities)	2,447,636	-	-	-	2,447,636
Borrowings	650,000	95,497	-	-	745,497
Bank overdrafts	38,695	-	-	-	38,695
Total financial liabilities	3,136,331	95,497	-	-	3,231,828

3.2 Capital risk management

Capital comprises of equity attributable to the equity holders of the parent. The primary objective of the Company's capital management is to ensure that it maintains favorable capital ratios in order to support its business and maximise shareholder value. The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended 31 March 2026.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, interest bearing loans and borrowings.

Borrowings	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Total borrowings (Note 26)	2,179,699	1,385,499	1,583,404	784,192
Lease liabilities (Note 16)	27,142	9,355	-	-
Less :				
Cash and cash equivalents (Note 24)	(1,637,194)	(2,077,022)	(404,936)	(1,056,432)
Investments in fixed deposits (Note 23)	(6,652,657)	(5,873,609)	(1,499,740)	(1,237,539)
Financial assets at fair value through Profit or Loss (Note 22)	(8,723,003)	(5,957,483)	(1,191,260)	(1,088,623)
Net debt	(14,806,011)	(12,513,259)	(1,512,532)	(2,598,402)
Total equity	42,978,000	36,020,087	16,958,589	13,522,699
Total capital	28,171,989	23,506,829	15,446,057	10,924,297
Gearing ratio	-52.56%	-53.23%	-9.79%	-23.79%

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value by valuation methods. The different levels have been defined as follows;

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table presents the Company's financial assets and financial liabilities that are measured at fair value.

	Group				Company			
As at 31 March 2026	Level 1	Level 2	Level 3	Total balance	Level 1	Level 2	Level 3	Total balance
Assets								
Financial assets at fair value through profit or loss (Note 22)	-	8,723,003	-	8,723,003	-	1,191,260	-	1,191,260
Equity instruments at fair value through OCI (Note 19)	153,155	689,210	-	842,365	43,789	-	-	43,789
	153,155	9,412,213	-	9,565,367	43,789	1,191,260	-	1,235,049
Liabilities								
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
	Group				Company			
As at 31 March 2025	Level 1	Level 2	Level 3	Total balance	Level 1	Level 2	Level 3	Total balance
Assets								
Financial assets at fair value through profit or loss (Note 22)		5,957,483	-	5,957,483		1,088,623	-	1,088,623
Equity instruments at fair value through OCI (Note 19)	104,097	683,649	-	787,746	26,803	-	-	26,803
	104,097	6,641,132	-	6,745,229	26,803	1,088,623	-	1,115,426
Liabilities								
Financial liabilities at fair value through profit or loss	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-

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The Company held the following non- financial assets carried at fair value in the statement of financial position:.

As at 31 March 2026	Group				Company			
	Level 1	Level 2	Level 3	Total balance	Level 1	Level 2	Level 3	Total balance
Assets								
Land and buildings	-	-	4,761,278	4,761,278	-	-	1,890,820	1,890,820
Investment properties	-	-	2,528,500	2,528,500	-	-	1,221,500	1,221,500
	-	-	7,289,778	7,289,778	-	-	3,112,320	3,112,320

As at 31 March 2025	Group				Company			
	Level 1	Level 2	Level 3	Total balance	Level 1	Level 2	Level 3	Total balance
Assets								
Land and buildings	-	-	4,815,832	4,815,832	-	-	1,928,297	1,928,297
Investment properties	-	-	1,828,750	1,828,750	-	-	639,750	639,750
	-	-	6,644,582	6,644,582	-	-	2,568,047	2,568,047

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing 'service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1. Instruments included in Level 1 comprise primarily equity instruments classified as trading securities or financial assets at fair value through OCI.

(b) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques that maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

(c) Financial instruments in Level 3

The input that are unobservable. This category includes all the instruments for which valuation techniques includes input not based on observable data and the unobservable inputs have a significant effect on the instruments valuation. This category includes instruments that are valued based on quoted prices for similar instruments for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

4 REVENUE FROM CONTRACTS WITH CUSTOMERS

For the year ended 31 st March	Group		Company	
	2026	2025	2026	2025
Geographical segment turnover				
Local sales	36,792,493	29,632,060	20,672,874	14,838,846
Export sales	8,715,116	7,854,840	2,185,851	2,491,196
Net revenue	45,507,609	37,486,900	22,858,725	17,330,042

4(a) Timing of revenue recognition

For the year ended 31 st March	Group		Company	
	2026	2025	2026	2025
Products & services transferred at a point in time	45,507,609	37,486,900	22,858,725	17,330,042
	45,507,609	37,486,900	22,858,725	17,330,042

5 OTHER INCOME

For the year ended 31 st March	Group		Company	
	2026	2025	2026	2025
Dividend income (Note 5(a))	6,474	2,745	357,241	311,418
Profit on disposal of property, plant and equipment	1,939	847	-	-
Gain from fair valuation adjustment to investment property (Note 14)	699,750	85,750	581,750	32,750
Sundry income (Note 5(b))	135,856	117,043	44,701	67,024
	844,019	206,385	983,692	411,192

- 5(a) Dividend income of Company includes mainly the dividends received from the related party companies and the Group includes the dividends received from investments.
- 5(b) Sundry income of both Group and Company includes rent income, solar income, write back of unclaimed credit balances of trade receivables and sale of scrap.

6 EXPENSES BY NATURE

For the year ended 31 st March	Group		Company	
	2026	2025	2026	2025
Directors emoluments [Note 40.13 (g)]	110,969	116,879	106,749	100,987
Auditors remuneration				
Statutory Audit	7,750	6,992	1,779	2,020
Audit related services	-	555	-	316
Legal fees	10,081	10,261	10,081	8,373
Depreciation on property, plant and equipment (Note 12)	351,284	351,784	114,351	116,877
Depreciation of right-of-use assets (Note 16)	16,272	7,064	-	-
Cost of raw material consumed	32,458,787	25,838,075	16,576,617	12,220,088
Repairs and maintenance	214,758	174,999	172,330	150,567
Donations	1,947	5,650	1,877	4,530
Staff costs (Note 7)	2,988,408	2,625,320	1,236,909	1,084,269
Write down of inventories to net realizable value [Note 20(a)]	110,754	50,027	120,000	-
Other expenses	902,410	1,039,645	514,595	665,654
Total cost of sales, distribution costs and administrative costs	37,173,419	30,227,251	18,855,287	14,353,680
Classified as:				
Cost of sale	34,053,444	27,263,219	17,683,830	13,209,101
Distribution costs	1,802,705	1,784,081	866,293	837,493
Administrative costs	1,292,339	1,147,672	281,164	283,085
Net impairment losses on financial assets	24,931	32,279	24,000	24,001
Total	37,173,419	30,227,251	18,855,287	14,353,680

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7 STAFF COSTS

	Group		Company	
	2026	2025	2026	2025
For the year ended 31 st March				
Salaries, wages and related costs	2,701,415	2,351,577	1,099,800	959,393
Defined contribution plan	186,644	182,539	90,130	82,246
Defined benefit plan [Note 28(b)]	100,349	91,204	46,979	42,630
	2,988,408	2,625,320	1,236,909	1,084,269
Average number of employees during the year	1,695	1,733	642	538

8 NET FINANCE INCOME/ (COSTS)

	Group		Company	
	2026	2025	2026	2025
For the year ended 31 st March				
Finance income:				
Interest income	343,922	395,553	72,732	62,379
Net fair value gain/(loss) from equity instruments at fair value through profit or loss (Net of taxes) (Note 22)	580,319	313,811	102,637	69,652
Foreign exchange gain	494,364	1,625	148,871	-
Finance income	1,418,605	710,989	324,240	132,031
Finance costs:				
Interest on bank borrowings and current accounts	(124,358)	(166,254)	(111,572)	(146,015)
Interest on right-of-use lease liabilities (Note 16)	(3,825)	(1,670)	-	-
Foreign exchange loss	-	(99,069)	-	(21,905)
Finance costs	(128,183)	(266,993)	(111,572)	(167,920)
Net finance income / (costs)	1,290,422	443,996	212,668	(35,889)

9 INCOME TAX EXPENSE

	Group		Company	
	2026	2025	2026	2025
For the year ended 31 st March				
Current tax on profit for the year (Note 27)	2,840,539	2,264,828	1,325,046	912,564
Under / (over) provision in respect of prior years	11,843	42,477	(3,412)	41,628
Deferred tax release (Note 29)	326,203	214,377	121,137	(10,751)
Additional provision for tax contingency	1,791	-	-	-
WHT on dividend paid by subsidiaries	59,060	38,719	-	-
	3,239,436	2,560,401	1,442,771	943,441

The tax on the Company's and Group's profit before tax differs from the theoretical amount that would arise using the effective tax rate applicable to profits of the Company and Group as follows :

	Group		Company	
For the year ended 31 st March	2026	2025	2026	2025
Profit before tax	10,519,680	7,979,938	5,199,798	3,351,665
Share of profit equity accounted investees	(51,049)	(69,908)	-	-
Consolidation adjustments	693,412	509,885	-	-
	11,162,043	8,419,915	5,199,798	3,351,665
Tax exempt income	(1,897,384)	(905,172)	(1,132,277)	(484,173)
Aggregated disallowable expenses	699,411	1,134,846	353,058	204,030
Aggregated allowable expenses	(444,049)	(952,831)	(119,273)	(108,641)
Other taxable income	115,514	153,182	115,514	78,998
Tax losses carried forward	-	-	-	-
Taxable income	9,635,534	7,849,470	4,416,820	3,041,879
Tax @ 15%	70,071	72,081	-	-
Tax @ 30%	2,770,468	2,192,747	1,325,046	912,564
	2,840,538	2,264,828	1,325,046	912,564
Under/(over) provision in respect of previous year	11,843	42,477	(3,412)	41,628
Deferred tax charge / (reversal)	326,203	214,377	121,137	(10,751)
Additional provision for tax contingency	1,791	-	-	-
WHT on dividend paid by subsidiaries	59,060	38,719	-	-
Tax expense for the year	3,239,436	2,560,401	1,442,771	943,441
Effective tax rate including deferred tax	31%	32%	28%	28%
Effective tax rate excluding deferred tax	27%	28%	30%	30%

10 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit attributable to equity holders by the weighted average number of ordinary shares as at end of the year.

	Group		Company	
For the year ended 31 st March	2026	2025 Restated	2026	2025 Restated
Net profit attributable to equity holders	6,337,879	4,579,459	3,757,027	2,408,224
Weighted average number of ordinary shares in issue (Note 33)	718,724,160	718,724,160	718,724,160	718,724,160
Basic / Diluted earnings per share (Rs.)	8.82	6.37	5.23	3.35

The denominator for the purposes of calculating both basic and diluted earnings per share has been adjusted to reflect the share split made in 2025 as disclosed in Note 33.

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11 DIVIDEND PER SHARE

For the year ended 31 st March	Group		Company	
	2026	2025	2026	2025
Dividends paid	359,362	299,468	359,362	299,468
Number of ordinary shares in issue (Note 33)	239,574,720	239,574,720	239,574,720	239,574,720
Dividend per share (Rs.)	1.50	1.25	1.50	1.25

Dividend per share disclosed above represent the actual dividends declared and paid based on the number of shares in issue at the respective declaration dates.

12 PROPERTY, PLANT AND EQUIPMENT

(a) Group

	Land and buildings	Plant, machinery and accessories	Equipment, tools and implements	Furniture, fittings and office equipment	Motor vehicles	Total
At 31 March 2024						
Cost / valuation	4,909,573	2,874,133	645,452	185,710	463,914	9,078,782
Accumulated depreciation	-	(2,016,150)	(234,999)	(159,547)	(429,142)	(2,839,838)
Net book amount	4,909,573	857,983	410,453	26,163	34,772	6,238,948
Year ended 31 March 2025						
Opening net book amount	4,909,573	857,983	410,453	26,163	34,772	6,238,948
Additions	24,397	191,764	25,895	8,237	-	250,294
Transfer from work in progress (Note 13)	-	5,048	-	-	-	5,048
Disposals / transfers						
- cost	-	(4,613)	(3,198)	(471)	(158)	(8,440)
- depreciation	-	2,241	1,885	444	158	4,729
Currency translation difference	(2,387)	(9,377)	(1,473)	(382)	(59)	(13,679)
Depreciation charge (Note 06)	(115,751)	(165,758)	(34,318)	(17,358)	(18,598)	(351,784)
Closing net book amount	4,815,832	877,288	399,244	16,634	16,115	6,125,116
At 31 March 2025						
Cost / valuation	4,933,970	3,066,332	668,149	193,477	463,756	9,325,686
Accumulated depreciation	(118,138)	(2,189,044)	(268,905)	(176,843)	(447,641)	(3,200,570)
Net book amount	4,815,832	877,288	399,244	16,634	16,115	6,125,116
Year ended 31 March 2026						
Opening net book amount	4,815,832	877,288	399,244	16,634	16,115	6,125,116
Additions	53,083	185,299	42,005	24,072	50,600	355,058
Transfer from work in progress (Note 13)	-	91,262	-	-	-	91,262
Disposals / transfers						
- cost	-	(624)	-	-	(3,500)	(4,124)
- depreciation	-	624	-	-	1,633	2,257
Currency translation difference	6,774	35,742	4,574	221	355	47,668
Depreciation charge (Note 06)	(114,412)	(171,245)	(36,162)	(18,782)	(10,684)	(351,284)
Closing net book amount	4,761,278	1,018,346	409,661	22,146	54,519	6,265,953
At 31 March 2026						
Cost / valuation	4,868,915	3,342,269	710,154	217,549	510,856	9,649,745
Accumulated depreciation	(107,637)	(2,323,923)	(300,493)	(195,403)	(456,337)	(3,383,792)
Net book amount	4,761,278	1,018,346	409,661	22,146	54,519	6,265,953

(b) Company

	Land and buildings	Plant, machinery and accessories	Equipment, tools and implements	Furniture, fittings and office equipment	Motor vehicles	Total
At 31 March 2024						
Cost / valuation	1,970,839	1,400,170	254,110	113,254	191,521	3,929,894
Accumulated depreciation	-	(1,113,048)	(15,789)	(101,284)	(189,004)	(1,419,125)
Net book amount	1,970,839	287,122	238,321	11,970	2,517	2,510,769
Year ended 31 March 2025						
Opening net book amount	1,970,839	287,122	238,321	11,970	2,517	2,510,769
Additions	-	7,792	-	1,938	-	9,730
Disposals / transfers	-	-	-	-	-	-
- cost	-	-	-	-	-	-
- depreciation	-	-	-	-	-	-
Depreciation charge (Note 06)	(42,542)	(59,310)	(9)	(13,823)	(1,193)	(116,877)
Closing net book amount	1,928,297	235,604	238,312	85	1,324	2,403,622
At 31 March 2025						
Cost / valuation	1,970,839	1,407,962	254,110	115,192	191,521	3,939,624
Accumulated depreciation	(42,542)	(1,172,358)	(15,798)	(115,107)	(190,197)	(1,536,002)
Net book amount	1,928,297	235,604	238,312	85	1,324	2,403,622
Year ended 31 March 2026						
Opening net book amount	1,928,297	235,604	238,312	85	1,324	2,403,622
Additions	5,065	2,158	-	19,516	-	26,739
Disposals / transfers	-	-	-	-	-	-
- cost	-	-	-	-	-	-
- depreciation	-	-	-	-	-	-
Depreciation charge (Note 06)	(42,542)	(56,479)	(1)	(14,860)	(470)	(114,351)
Closing net book amount	1,890,820	181,283	238,311	4,741	854	2,316,010
At 31 March 2026						
Cost / valuation	1,975,904	1,410,120	254,110	134,708	191,521	3,966,363
Accumulated depreciation	(85,084)	(1,228,837)	(15,799)	(129,967)	(190,667)	(1,650,353)
Net book amount	1,890,820	181,283	238,311	4,741	854	2,316,010

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12 PROPERTY, PLANT AND EQUIPMENT (CONTD)

(c) Property, plant and equipment includes revalued assets as follows.

Company	Valued on	Name of the valuer	Valued amount
Assets			
Land	31 March 2024	Mr J M Senanayaka Bandara	907,298
Buildings	31 March 2024	Mr J M Senanayaka Bandara	1,063,540
Group			
Land			
ACL Cables PLC	31 March 2024	Mr J M Senanayaka Bandara	907,298
Kelani Cables PLC	31 March 2024	Mr J M Senanayaka Bandara	629,100
ACL Plastics PLC	31 March 2024	Mr J M Senanayaka Bandara	169,000
Ceylon Bulbs and Electricals Limited	31 March 2024	Mr J M Senanayaka Bandara	1,073,600
Ceylon Copper (Private) Limited	31 March 2024	Mr J M Senanayaka Bandara	61,702
ACL Electric (Private) Limited	31 March 2024	Mr J M Senanayaka Bandara	29,500
Buildings			
ACL Cables PLC	31 March 2024	Mr J M Senanayaka Bandara	1,063,540
Kelani Cables PLC	31 March 2024	Mr J M Senanayaka Bandara	414,546
ACL Plastics PLC	31 March 2024	Mr J M Senanayaka Bandara	154,500
ACL Metals & Alloys (Private) Limited	31 March 2024	Mr J M Senanayaka Bandara	134,895
Ceylon Copper (Private) Limited	31 March 2024	Mr J M Senanayaka Bandara	42,900
ACL Electric (Private) Limited	31 March 2024	Mr J M Senanayaka Bandara	85,500
Cable Solutions PLC	31 March 2024	Mr J M Senanayaka Bandara	138,337

The lands and buildings were revalued on 31 March 2024 by an independent professional valuer Mr.Senanayake Bandara, a Fellow Member of the Institute of the Valuers of Sri Lanka. Fair value of the land and buildings is determined based on Level 3 inputs.

(d) If revalued assets were stated on the historical cost basis, the amounts would be as follows:

Company	Valued on	31 March 2026			31 March 2025
		Cost	Accumulated depreciation	Net book value	Net book value
Land	31 March 2024	250,972	-	250,972	250,972
Building	31 March 2024	214,800	181,643	33,157	41,749

Group	Valued on	31 March 2026			31 March 2025
		Cost	Accumulated depreciation	Net book value	Net book value
Land					
ACL Cables PLC	31 March 2024	250,972	-	250,972	250,972
Kelani Cables PLC	31 March 2024	217,195	-	217,195	217,195
ACL Plastics PLC	31 March 2024	7,509	-	7,509	7,509
Ceylon Bulbs and Electricals Limited	31 March 2024	296	-	296	296
Ceylon Copper (Private) Limited	31 March 2024	25,199	-	25,199	25,199
ACL Electric (Private) Limited	31 March 2024	16,987	-	16,987	16,987
Buildings					
ACL Cables PLC	31 March 2024	214,800	181,643	33,157	41,749
Kelani Cables PLC	31 March 2024	147,969	101,039	46,929	47,553
ACL Plastics PLC	31 March 2024	35,313	24,013	11,300	12,713
Ceylon Bulbs and Electricals Limited	31 March 2024	1,625	1,625	-	-
ACL Metals & Alloys (Private) Limited	31 March 2024	34,141	24,665	9,476	10,842
Ceylon Copper (Private) Limited	31 March 2024	15,860	15,860	-	-
ACL Electric (Private) Limited	31 March 2024	60,225	22,083	38,142	39,142
Cable Solutions Private Limited	31 March 2024	300,336	93,135	207,201	209,494

(e) The initial cost of fully depreciated property, plant and equipment which are still in use at the reporting date are as follows;

Group	31 March	
	2026	2025
ACL Cables PLC	1,173,881	1,166,012
ACL Plastics PLC	184,238	169,709
ACL Polymers (Private) Limited	19,276	19,276
Kelani Cables PLC	764,807	687,526
Ceylon Bulbs & Electricals Limited	14,064	14,064
ACL Kelani Magnet Wire (Private) Limited	10,655	10,655
ACL Metals & Alloys (Private) Limited	102,013	101,974
Ceylon Copper Private Limited	50,599	50,533
Cable Solutions (Private) Limited	145,332	84,764
ACL Electric Private Limited	100,000	99,000

(f) Details of property, plant and equipment pledged as security for term loans obtained, are disclosed in Note 26.1

(g) There are no idle property, plant and equipment as at the reporting date.

(h) There are no restrictions that existed on the title of the property, plant and equipment of the Group / Company as at the reporting date.

(i) There is no capitalisation of borrowing cost relating to the acquisition of property, plant and equipment by the Group/ Company during the year. (2024/2025 - Nil).

(j) There has been no impairment of property, plant & equipment during the year. (2025 - Nil).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

12 PROPERTY, PLANT AND EQUIPMENT (CONTD)

(k) The Details of Property, Plant & Equipment of the Group which are stated at valuation are Indicated Below.

Company	Location	Extent of the Land	No of buildings	Method of valuation and significant unobservable inputs	Effective date of valuation	Range of estimates for unobservable inputs	Revalued amount of land & Building (Rs. '000)	Significant unobservable valuation inputs (ranges of each)	Sensitivity of fair value measurement to inputs
ACL Cables PLC	ACL Cables Factory Premises, Welithotuwa Road, Off Madapatha Road, Batakettara, Piliyandala.	11A-0R-30.11P 223,094 Sq.ft	15	Market Comparable method Depreciated replacement cost method	31-Mar-24	390,000 Per Perch 3,650 per sq.ft	1,512,838	Land - Price per perch Building - Price per Sq.ft	Positively correlated sensitivity
	Part of ACL Cables Factory Premises, Welithotuwa Road, Off Madapatha road, Batakettara, Piliyandala.	1A-2R-26.72P 17,842 Sq.ft	7	Market Comparable method Depreciated replacement cost method	31-Mar-24	425,000 Per Perch 3,390 per sq.ft	174,000	Land - Price per perch Building - Price per Sq.ft	Positively correlated sensitivity
	Postal No.376/4, (Close to ACL Cables Factory Premises) Welithotuwa Road, Off Madapatha Road, Batakettara, Piliyandala.	1A-1R-7.52P 17,362 Sq.ft	4	Market Comparable method Depreciated replacement cost method	31-Mar-24	460,000 Per Perch 2,900 per sq.ft	193,000	Land - Price per perch Building - Price per Sq.ft	Positively correlated sensitivity
	No.60, Rodney Street, Colombo 08	15,288 sq.ft	1	Depreciated replacement cost method	31-Mar-24	9,000 per sq.ft	137,000	Building - Price per Sq.ft	Positively correlated sensitivity
ACL Electric Pvt Ltd	Factory Premises of ACL Electric Pvt Ltd Padukka Road, Millawa Moragahahena Horana	1A-2R-1.6P 14,960 Sq.ft	1	Market Comparable method Depreciated replacement cost method	31-Mar-24	19,500,000 Per acre 5,000 per sq.ft	115,000	Land - Price per acre	Positively correlated sensitivity
Ceylon Copper Pvt Ltd	Ceylon Copper Pvt Ltd Factory Premises, Welithotuwa Road, Off Madapatha Road, Batakettara, Piliyandala.	3R 38.21P 7,150 Sq.ft	-	Market Comparable method Depreciated cost replacement cost method	31-Mar-24	390,000 Per Perch 6,000 per sq.ft	104,602	Land - Price per perch Building - Price per Sq.ft	Positively correlated sensitivity
ACL Metals and Alloys Pvt Ltd	ACL Metals and Alloys Pvt Ltd Factory Premises, Welithotuwa Road, Off Madapatha Road, Batakettara, Piliyandala.	23,460 Sq.ft	1	Depreciated cost replacement cost method	31-Mar-24	5,750 Per Sq.ft	134,895	Building - Price per Sq.ft	Positively correlated sensitivity
Ceylon Bulbs and Electricals Limited	No.60, Rodney Street, Colombo 08	1A-2R-28.4P	11	Market Comparable method	31-Mar-24	4,000,000 Per Perch	1,073,600	Land - Price per perch	Positively correlated sensitivity

(k) The Details of Property, Plant & Equipment of the Group which are stated at valuation are Indicated Below.

Company	Location	Extent of the Land	No of buildings	Method of valuation and significant unobservable inputs	Effective date of valuation	Range of estimates for unobservable inputs	Revalued amount of land & Building (Rs. '000)	Significant unobservable valuation inputs (ranges of each)	Sensitivity of fair value measurement to inputs
ACL Plastics PLC	No 52, 52/1, ACL Plastics factory premises Temple Road, Ekala, Ja ela	3A -0R-34P 36,579 Sq.ft	9	Market Comparable method Depreciated replacement cost method	31-Mar-24	47,000,000 Per Acre 3,880 per sq.ft	293,000	Land - Price per acre Building - Price per Sq.ft	Positively correlated sensitivity
	Lot 10, Part of Straatenwyk Estate, Suhada Mawatha Off Samagi Mawatha, Ekala, Ja ela	0A-0R-20P	-	Market Comparable method	31-Mar-24	575,000 Per Perch	11,500	Land - Price per perch	Positively correlated sensitivity
	Lot 1 - Part of OTS Idama, ACL Staff Quarters, Sand Piper Road, Nivasipura Ekala - Kurunduwatia Kotugoda, Jaala	0A-0R-10.19P 1,690 Sq.ft	-	Market Comparable method Depreciated replacement cost method	31-Mar-24	650,000 Per Perch 7,500 per Sq.ft	19,000	Land - Price per acre Building - Price per Sq.ft	Positively correlated sensitivity
Kelani Cables PLC	Wewelduwa, Kelaniya	1,086.40 Perches 122,223 Sq.ft	19	Market Comparable method Depreciated replacement cost method	31-Mar-24	527,500 Per Perch 2,565 per Sq.ft	886,646	Land - Price per acre Building - Price per Sq.ft	Positively correlated sensitivity
	Land and building situated at Mahena Road, Siyambalape South, Siyambalape Wewelduwa, Kelaniya	172.8 Perches 35,583 Sq.ft	5	Market Comparable method Depreciated replacement cost method	31-Mar-24	324,000 Per Perch 2,800 per Sq.ft	157,000	Land - Price per acre Building - Price per Sq.ft	Positively correlated sensitivity

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

13 CAPITAL WORK IN PROGRESS

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	336,298	284,813	-	-
Cost incurred during the year	44,996	56,533	-	-
Amount transferred to property, plant and equipment (Note 12)	(91,262)	(5,048)	-	-
Balance at the end of the year	290,031	336,298	-	-

Capital work in progress of Kelani Cables PLC and ACL Plastics PLC of the Group as at the reporting date included expenses incurred for building being constructed and machinery installation.

14 INVESTMENT PROPERTIES

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	1,828,750	1,743,000	639,750	607,000
Gain from fair value remeasurement	699,750	85,750	581,750	32,750
Balance at the end of the year	2,528,500	1,828,750	1,221,500	639,750

According to the valuation done by Mr. J. M. S Bandara, independent professional valuer, a Fellow Member of Institute of Valuers of Sri Lanka, the fair value of investment property of Group as at 31 March 2026 is Rs. 2,528.5 million (2025 - Rs. 1,828.75 million) and the fair value of investment property of Company is Rs. 1,221.5 million (2025 - Rs. 639.75 million).

(a) Details of land and buildings under investment property

Location	Extent	Carrying value	
		2026	2025
Kahathuduwa	13A. 0R. 2.5P	680,000	197,500
Piliyandala	1A. 0R. 32.8P	115,500	102,000
Piliyandala	0A. 0R. 17P	14,500	13,250
Piliyandala	2A. 2R. 28.27P	230,000	208,500
Kalutara	2A. 3R. 1P	181,500	118,500
Total of the Company		1,221,500	639,750
Ekala	13A. 0R. 2P	846,000	780,000
Ekala	3A. 2R. 5P	461,000	409,000
Total of the Group		2,528,500	1,828,750

(b) Amounts recognised in the statement of profit or loss for investment properties.

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Rent income	11,950	7,974	11,950	7,974
Fair value gain recognised in other income	699,750	85,750	581,750	32,750
Direct operating expenses	112	192	-	-

Direct operating expenses arising from investment property of Kelani Cables PLC that did not generate rental income during the year was Rs. 112. (2025-Rs. 192)

(c) Investment Property Fair valuation method used in 2026

Fair value of the investment property is determined based on Level 3 inputs. Measurement of fair value method considers the selling price of a similar property within a reasonably recent period of time in determining the fair value of the property being revalued. This involves evaluation of recent active market prices of similar assets, making appropriate adjustments for differences in size, nature, location, condition of specific property. In this process, outlier transactions, indicative of particularly motivated buyers or sellers are too compensated for since the price may not adequately reflect the fair market value. Investment property situated in Kaluthara is valued based on rent income generated from the land rented. The valuer has considered discount rate of 10% and yield in perpetuity at 7.5% for the valuation as the significant inputs for the valuation.

ACL Cables PLC

Investment property and method of valuation	Range of estimates for unobservable inputs	Carrying value before revaluation of land	Revalued amount of land as at 31st March 2026	Fair value gain	Significant unobservable valuation inputs	Sensitivity of the fair value measurement to inputs
Kahathuduwa - Market comparable method	11A-3R-18P @ Rs.325,000/- per perch and 1A-0R-24.5P @ Rs.340,000/- per perch	197,500	680,000	482,500	Price per perch for land	Positively correlated sensitivity
Piliyandala - Market comparable method	1A -0R -32.8P Rs.600,000/- per perch	102,000	115,500	13,500	Price per perch for land	Positively correlated sensitivity
Piliyandala - Market comparable method	0A - 0R-17P @ Rs.725,000/- per perch 1,107 sq.ft @ 2,000 per sq.ft	13,250	14,500	1,250	Price per perch for land Building - Price per Sq.ft	Positively correlated sensitivity
Piliyandala - Market comparable method	2A -2R-28.27P Rs.525,000/- per perch	208,500	230,000	21,500	Price per perch for land	Positively correlated sensitivity
Kalutara - Income approach	2A - 3R - 1P Monthly rental of USD 3,000/-	118,500	181,500	63,000	Rent per month	Positively correlated sensitivity

Kelani Cables PLC

Investment property and method of valuation	Range of estimates for unobservable inputs	Carrying value before revaluation of land	Revalued amount of land as at 31st March 2026	Fair value gain	Significant unobservable valuation inputs	Sensitivity of the fair value measurement to inputs
Ekala - Market comparable method	Rs.65,000,000/- per acre	780,000	846,000	66,000	Price per perch for land	Estimated fair value would increase/ (decrease) If; price per perch of land increase/ (decreases)

ACL Kelani Magnet Wire Pvt Ltd

Investment property and method of valuation	Range of estimates for unobservable inputs	Carrying value before revaluation of land	Revalued amount of land as at 31st March 2026	Fair value gain	Significant unobservable valuation inputs	Sensitivity of the fair value measurement to inputs
Ekala - Market comparable method	3A-2R-5P Rs.65,000,000/- per acre	409,000	461,000	52,000	Price per perch for land	Estimated fair value would increase/ (decrease) If; price per perch of land increase/(decreases)

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(all amounts in Sri Lanka Rupees thousands)

15 INTANGIBLE ASSETS

(a) Group

Cost	31 March 2026			31 March 2025		
	Goodwill	Computer software	Total	Goodwill	Computer software	Total
Balance at the beginning of the year	120,806	44,968	165,774	120,806	44,968	165,774
Balance at the end of the year	120,806	44,968	165,774	120,806	44,968	165,774
Accumulated amortisation						
Balance at the beginning of the year	52,525	44,968	97,493	52,525	44,968	97,493
Amortization charge	-	-	-	-	-	-
Balance at the end of the year	52,525	44,968	97,493	52,525	44,968	97,493
Net book amount	68,281	-	68,281	68,281	-	68,281

(b) Company

Cost	31 March 2026			31 March 2025		
	Goodwill	Computer software	Total	Goodwill	Computer software	Total
Balance at the beginning of the year	-	32,217	32,217	-	32,217	32,217
Balance at the end of the year	-	32,217	32,217	-	32,217	32,217
Accumulated amortisation						
Balance at the beginning of the year	-	32,217	32,217	-	32,217	32,217
Amortization charge	-	-	-	-	-	-
Balance at the end of the year	-	32,217	32,217	-	32,217	32,217
Net book amount	-	-	-	-	-	-

Goodwill arising on consolidation of subsidiaries is as follows;

Year	Subsidiary Company	Goodwill on consolidation
1994/95	ACL Plastics PLC	6,090
1995/96	Lanka Olex Cables (Private) Limited and Kelani Cables PLC	26,035
1997/98	Ceylon Bulbs and Electricals Limited	459
2004/05	ACL Kelani Magnet Wire (Private) Limited	917
2006/07	Ceylon Bulbs and Electricals Limited	5,441
2007/08	Ceylon Bulbs and Electricals Limited	2
2019/20	Cable Solutions PLC	81,862
		120,806

Goodwill arising from business combinations after 1 June 2005, is no longer amortised but tested for impairment annually as per SLFRS 3.

Impairment of goodwill

Goodwill represents the difference between the purchase consideration and the fair value of assets acquired as a result of the acquisition of shares of subsidiary companies.

The recoverable amount of all Cash Generating Units (CGUs) have been determined based on the fair value less cost to sell or Value In Use (VIU) calculation.

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use (VIU). The fair value less costs to sell calculation is based on available data from an active market, in an arm's length transaction, of similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a discounted cash flow model. The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the cash generating unit being tested. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected future cash inflows and the growth rate used for extrapolation purposes. The key assumptions used to determine the recoverable amount for the different cash generating units, are as follows;

Gross Margins

The basis used to determine the value assigned to the budgeted gross margins, is the gross margins achieved in the year preceding the budgeted year adjusted for projected market conditions.

Inflation

The basis used to determine the value assigned to the budgeted cost inflation is the inflation rate based on projected economic conditions.

Discount Rate

The discount rate used is the risk free pre-tax discount rate, adjusted by the addition of an appropriate risk premium.

Volume Growth

Volume growth has been budgeted on a reasonable and realistic basis by taking into account the growth rates of one to four years immediately subsequent to the budgeted year based on industry growth rates.

Cash flows beyond the five year period has been extrapolated using a zero growth rate.

In the light of current operational and economic conditions, the Group has reassessed the expected future business performance relating to cash generating units where the management has concluded that the recoverable value of CGUs exceed its carrying value. Hence, there is no impairment of goodwill as at the reporting date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

16 LEASE / RIGHT-OF-USE ASSETS

This note provides information about leases where the Company is a lessee.

(i) Amounts recognised in the statement of financial position

	Group		Company	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
Right-of-use assets				
Land	17,054	9,191	-	-
Buildings	637	1,862	-	-
	17,691	11,053	-	-
Lease liabilities				
Current	8,669	8,946	-	-
Non current	18,474	409	-	-
	27,142	9,355	-	-

(ii) Amounts recognised in the statement of profit or loss

The statement of profit or loss shows the following amounts relating to leases

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Depreciation charge of right-of-use assets (Note 6)				
Land	14,782	5,947	-	-
Buildings	1,490	1,117	-	-
	16,272	7,064	-	-
Interest expense (Note 8)	3,825	1,670	-	-

The total cash outflow for leases in 2026 of the Group was Rs. 16,012 (Principal payments - Rs. 12,187 Interest payments - Rs. 3,825).

The total cash outflow for leases in 2025 of the Group was Rs. 11,263 (Principal payments - Rs. 9,593 Interest payments - Rs. 1,670).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments after the reporting date.

As at 31st March	2026	2025
Within 1 year	8,669	8,946
Between 1 and 2 years	18,474	409
	27,142	9,355

17 INVESTMENT IN SUBSIDIARIES

Company	31 March 2026			31 March 2025		
	Number of shares	Cost	Market value	Number of shares	Cost	Market value
Quoted investments						
ACL Plastics PLC	27,469,690	33,300	3,605,397	2,746,969	33,300	1,691,446
Kelani Cables PLC	9,337,560	10,753	957,100	933,756	10,753	485,086
Cable Solutions PLC	240,621,396	435,496	3,031,830	240,621,396	435,496	2,670,897
Total investment in quoted companies		479,549	7,594,326		479,549	4,847,429
Unquoted investments						
Ceylon Bulbs and Electricals Limited	1,051,345	58,515		1,051,345	58,515	
Lanka Olex Cables (Private) Limited						
"A" Class ordinary shares	99	291,180		99	291,180	
"B" Class ordinary shares	3,065,610			3,065,610		
Preference shares	161,818			161,818		
ACL Kelani Magnet Wire (Private) Limited	11,950,000	119,500		11,950,000	119,500	
ACL Metals and Alloys (Private) Limited	2,500,000	25,000		2,500,000	25,000	
Ceylon Copper (Private) Limited	3,000,001	30,000		3,000,001	30,000	
ACL Electric (Private) Limited	10,000,001	100,000		10,000,001	100,000	
Total investment in unquoted companies		624,195			624,195	
Total investment in unquoted companies		624,195			624,195	
Total cost of investments in subsidiaries		1,103,744			1,103,744	

In the Company's financial statements, investments in subsidiaries have been accounted for at cost.

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(all amounts in Sri Lanka Rupees thousands)

Summarised financial information in respect of ACL Cables PLC's subsidiaries that have material non-controlling interest, reflecting amount before inter Company eliminations, is set out below.

The significant figures extracted from the financials of As at 31st March	Kelani Cables PLC		ACL Plastics PLC		Cable Solutions PLC	
	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000	2026 Rs.'000	2025 Rs.'000
Revenue	20,620,611	17,657,510	2,851,073	2,441,286	3,369,386	3,161,275
Profit before tax	3,420,707	3,237,409	1,109,586	672,136	424,672	506,079
Cash flows from / (used in) operating activities	1,357,110	624,367	504,664	1,152,151	118,169	320,206
Cash flows from / (used in) investing activities	(1,198,794)	(1,053,954)	(394,145)	(1,028,065)	(111,017)	(211,080)
Cash flows from / (used in) financing activities	(107,255)	(261,031)	(105,313)	(84,250)	(354,160)	127,212
Non current assets	2,507,309	2,327,220	503,529	433,264	835,228	778,467
Current assets	16,694,703	14,260,482	4,260,240	3,523,258	2,421,349	2,001,329
Total assets	19,202,012	16,587,702	4,763,769	3,956,521	3,256,577	2,779,796
Non current liabilities	568,131	458,824	107,717	99,312	122,594	94,789
Current liabilities	3,352,578	2,911,845	258,323	184,476	815,952	718,111
Total Liabilities	3,920,709	3,370,669	366,040	283,788	938,546	812,900
Profit / (loss) attributable to NCI	495,774	476,656	277,638	161,730	170,936	210,724
Other Comprehensive income attributable to NCI	(781)	(2,294)	11,309	12,090	(1,450)	6,235
Non controlling interest %	20.70%	20.70%	34.80%	34.80%	49%	49%

Above figures have been extracted from the audited financial statements of Kelani Cables PLC, ACL Plastics PLC and Cable Solutions PLC for the year ended 31st March 2026.

18 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Investments accounted for using the equity method (at cost)	-	-	345,093	345,093
Balance at the beginning of the year	804,004	762,802	-	-
Share of profit [Note 18(a)]	51,049	69,908	-	-
Share of other comprehensive income [Note 18(a)]	1,787	(967)	-	-
Share of other comprehensive income related tax [Note 18(a)]	(534)	290	-	-
Share of dividend paid	(21,028)	(28,027)	-	-
Balance at the end of the year	835,278	804,004	345,093	345,093

As at the reporting date Company holds 140,165,505 ordinary shares (2025 - 28,033,101) of Resus Energy PLC.

Provisional fair values of the identifiable assets and liabilities of Resus Energy PLC were used when arriving at the results of the acquisition.

(a) Total comprehensive income from equity accounted investee

	Resus Energy PLC 31 March	
	2026	2025
Share of profit	51,049	69,908
Amount recognised in the Statement of profit or loss	51,049	69,908
Other comprehensive (expense) / income for the year	1,787	(967)
Other comprehensive (expense) / income for the year related tax	(534)	290
Total comprehensive income for the year	52,302	69,231

(b) Summarised financial information of equity accounted investee

Revenue and profit

Revenue	1,008,093	1,069,924
Profit after tax	156,978	214,971
Other comprehensive income	3,848	(2,082)
Total comprehensive income	160,825	212,888

Assets and liabilities

Current Assets	1,250,347	592,544
Non current assets	6,432,059	6,031,362
Current Liabilities	2,166,617	1,451,556
Non current Liabilities	2,947,283	2,700,009
Net assets	2,568,505	2,472,341
Carrying amount of the investment	835,278	804,004

(c) Quoted fair value of the investment in the associate

Quoted fair value of the investment in the associate	1,331,572	742,877
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Above figures have been extracted from the audited financial statements of Resus Energy PLC for the year ended 31st March 2026.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

19 EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

(a) Movement of Equity instruments measured at fair value through other comprehensive income

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	787,746	883,374	26,803	16,949
Cost of shares purchased	100	414	-	414
Fair value adjustment	54,519	(96,042)	16,986	9,441
	842,365	787,746	43,789	26,803

This is the investment done by Ceylon Copper Private Limited in Ethimale Plantations Private Limited and as at the reporting date Ceylon Copper Private Limited holds 16.84% of ordinary shares. (2024/25 - 16.84%)

Fair value of the investment is determined based on Level 2 inputs.

Valuation inputs and relationships to fair value

The following table summarises the quantitative information about the significant observable inputs used in level 3 fair value measurements.

Significant observable valuation inputs	Range of estimates for observable inputs	Fair value (Rs.)		Relationship of observable inputs to fair value
		31-Mar-26	31-Mar-25	
Price to book value of similar listed entities	0.59 - 3.14	689,210	683,649	Positively correlated

Valuation process

The management determines the fair value of the investment based on Level 3 inputs. The key observable input of the valuation is the price to book value of similar listed entities as at 31 March 2026. The management considers the average price to book values of few similar entities that engage in agriculture related business in estimating the fair valuing the investment.

(b) Company

Company	31 March 2026			31 March 2025		
	Number of shares	Cost	Market value	Number of shares	Cost	Market value
Banking finance and insurance						
Merchant Bank of Sri Lanka PLC	18,379	1,546	198	18,379	1,546	107
Nations Trust Bank PLC	22,735	450	6,576	22,540	450	4,283
Telecommunication						
Dialog Axiata PLC	390,000	4,143	11,817	390,000	4,143	5,577
Diversified holdings						
John Keells Holdings PLC	284,410	1,844	5,233	284,410	1,430	5,745
John Keells Holdings PLC - Right issue	-	-	-	-	414	414
Ambeon Holdings PLC	130,700	13,250	19,964	130,700	13,250	10,678
Total investments by the Company		21,233	43,789		21,233	26,803

(c) Group

Company	31 March 2026			31 March 2025		
	Number of shares	Cost	Market value	Number of shares	Cost	Market value
Quoted investments						
Banking finance and insurance						
Nations Trust Bank PLC	31,568	512	9,131	31,297	512	5,946
DFCC Bank	13	2	2	13	2	1
People's Insurance PLC	596,134	8,782	15,559	596,134	8,782	16,990
Plantation						
Maskeliya Plantations PLC	8,200	375	573	8,200	375	647
Kotagala Plantations PLC	56,250	477	450	45,000	477	405
Diversified holdings						
Hayleys PLC	389,070	2,953	83,650	389,070	2,953	53,303
Unquoted investments						
Plantation						
Ethimale Plantations (Pvt) Ltd	681,315	484,171	689,210	681,315	484,171	683,649
Total investments by subsidiaries		497,272	798,576		497,272	760,942
Total investments by Group		518,505	842,365		518,505	787,746

(d) The Group and the Company designated above instruments as financial assets measured at fair value through OCI because the Group intend to hold these instruments for strategic purposes.

20 INVENTORIES

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Raw materials	5,481,557	4,596,382	4,216,605	3,175,517
Work-in-progress	1,934,583	1,840,247	1,047,310	853,357
Finished goods	5,720,746	5,506,271	3,273,999	2,951,794
Goods in transit	1,023,612	552,855	71,568	190,897
Other stocks	495,975	428,337	229,708	189,771
	14,656,473	12,924,092	8,839,190	7,361,336
Provision for obsolete stock [20(a)]	(528,540)	(458,972)	(240,596)	(120,596)
Net book amount	14,127,933	12,465,120	8,598,594	7,240,740

(a) Provision for obsolete stock

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	458,972	412,714	120,596	120,596
Provision charge during the year	110,754	50,027	120,000	-
Inventories written off	(41,186)	(3,769)	-	-
Balance at the end of the year	528,540	458,972	240,596	120,596

Details of inventories have been pledged as security for borrowings are given in Note 26.1.

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21 TRADE AND OTHER RECEIVABLES

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Trade receivables	7,987,192	5,264,205	4,686,261	2,385,154
Provision for impairment of trade receivables [Note 21(a)]	(604,330)	(608,652)	(498,874)	(488,683)
Trade receivables - net	7,382,862	4,655,553	4,187,387	1,896,471
Receivables from related companies [Note 40.14(b)]	-	-	202,528	391,717
Loans receivable from related companies [Note 40.14(c)]	-	-	10,000	14,000
Advances and prepayments	1,097,337	411,910	218,360	30,252
Other receivables	2,373,854	2,251,853	1,216,891	1,235,654
	10,854,053	7,319,316	5,835,166	3,568,094

The carrying amount of trade receivables is considered to be the same as its fair value, due to its short-term nature.

Other receivables of the Group and Company includes statutory receivables and interest receivables.

(a) Impairment of trade and other receivables

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	608,652	665,439	488,683	470,414
Provision charge for the year	24,931	32,279	24,000	24,001
Foreign currency translation adjustment	-	(275)	-	-
Debtors written off	(29,253)	(88,791)	(13,809)	(5,732)
Balance at the end of the year	604,330	608,652	498,874	488,683

22 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	5,957,483	1,632,578	1,088,623	518,971
Investment in Financial assets at fair value through profit or loss	5,143,000	5,160,000	-	500,000
Cash proceeds from realization of financial assets at fair value through profit or loss	(2,963,000)	(1,155,236)	-	-
Fair value gain on financial assets at fair value through profit or loss	585,519	320,141	102,637	69,652
Balance at the end of the year	8,723,003	5,957,483	1,191,260	1,088,623

23 INVESTMENTS IN FIXED DEPOSITS - CURRENT

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	5,873,609	6,576,492	1,237,539	1,207,960
Investment in fixed deposits	3,335,353	3,391,426	130,966	-
Withdrawals from fixed deposits	(2,990,439)	(4,241,070)	-	-
Exchange gain or loss	255,566	(40,270)	88,436	(19,344)
Interest receivable	127,671	187,031	42,799	48,923
Balance at the end of the year	6,601,760	5,873,609	1,499,740	1,237,539

23.1 Investments in fixed deposits - Non Current

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	-	-	-	-
Investment in fixed deposits	50,000	-	-	-
Withdrawals from fixed deposits	-	-	-	-
Exchange gain or loss	-	-	-	-
Interest receivable	896	-	-	-
Balance at the end of the year	50,896	-	-	-

24 CASH AND CASH EQUIVALENTS

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Cash at bank	1,635,001	2,074,654	404,433	1,055,929
Cash in hand	2,193	2,368	503	503
	1,637,194	2,077,022	404,936	1,056,432

For the purposes of the statement of cash flows, the year end cash and cash equivalents comprise the following:

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Cash at bank and in hand	1,637,194	2,077,022	404,936	1,056,432
Bank overdraft (Note 26)	(156,462)	(57,454)	(125,876)	(38,695)
	1,480,732	2,019,568	279,060	1,017,737

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25 TRADE AND OTHER PAYABLES

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Trade payables	1,459,300	1,328,783	350,115	395,172
Payables to related parties [Note 40.14 (a)]	7,402	8,394	835,107	1,450,040
Loans due to related parties [Note 40.14 (d)]	-	-	113,720	513,720
Accrued expenses and other payable	1,527,137	797,533	502,040	134,920
	2,993,839	2,134,710	1,800,982	2,493,852

The carrying amount of trade payables is considered to be the same as its fair value, due to its short-term nature.

Accrued expenses and other payables of the Group and Company includes statutory payables, unclaimed dividends and accrued expenses.

26 BORROWINGS

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Long term borrowings (Note 26.1)				
Amount payable after one year	71,712	120,319	57,528	95,497
	71,712	120,319	57,528	95,497
Short term borrowings (Note 26.1)				
Amount payable within one year	1,951,525	1,207,726	1,400,000	650,000
Bank overdraft	156,462	57,454	125,876	38,695
	2,107,987	1,265,180	1,525,876	688,695
Total borrowings	2,179,699	1,385,499	1,583,404	784,192

Fair value

For the majority of the borrowings, the fair values are not materially different from their carrying amounts, since the interest payable on those borrowings is either close to current market rates or the borrowings are of a short-term nature.

26.1 Borrowings excluding bank overdrafts

(a) Analysed by lenders

Group

Lender	Interest Rate	31 March		Security	Amount (Rs.Mn)
		2026	2025		
State Bank of India	Linked to AWPLR	-	13,314	Land	
DFCC	Linked to AWPLR	57,528	82,183	Movable machinery	LKR 250
DFCC	Linked to AWPLR	14,184	24,822	Stocks and book debts	
Total long-term borrowings		71,712	120,319		
Standard Chartered Bank	Linked to AWPLR	300,000	-	Stocks and book debts	USD 1.5
Hatton National Bank PLC	Linked to AWPLR	783,292	800,059	Demand promissory note	LKR 1500
Sampath Bank PLC	Linked to AWPLR	857,595	397,029		
DFCC	Linked to AWPLR	10,638	10,638	Movable property	USD 0.33
Total short-term borrowings		1,951,525	1,207,726		
Total borrowings		2,023,237	1,328,045		

Company

Lender	Interest Rate	31 March		Security	Amount (Rs.Mn)
		2026	2025		
DFCC		57,528	82,183	Movable machinery	LKR 250
State Bank of India		-	13,314	Land	
Total long-term borrowings		57,528	95,497		
Standard Chartered Bank	Linked to AWPLR	300,000	-	Lien over call account funds	USD 0.6
Hatton National Bank PLC	Linked to AWPLR	400,000	400,000	Demand promissory note	
Sampath Bank PLC	Linked to AWPLR	700,000	250,000	Land	LKR 1500
Total short-term borrowings		1,400,000	650,000		
Total borrowings		1,457,528	745,497		

27 CURRENT INCOME TAX LIABILITIES

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	2,344,777	2,086,188	1,214,422	1,036,463
Provision for the current year (Note 9)	2,840,539	2,264,828	1,325,046	912,564
Under / (over) provision in respect of prior years	11,843	42,477	(3,412)	41,628
Foreign currency translation adjustment	-	(9)	-	-
Additional provision for tax contingency	1,791	-	-	-
Payments made during the year , set off against refunds and tax credits	(2,670,299)	(2,048,707)	(1,137,372)	(776,233)
Balance at the end of the year	2,528,652	2,344,777	1,398,684	1,214,422

28 DEFINED BENEFIT OBLIGATIONS

(a) The amounts recognised in the statement of financial position are determined as follows:

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	555,328	455,017	277,329	216,898
Current service cost	43,036	34,444	17,859	14,976
Interest cost	57,313	56,760	29,120	27,654
Actuarial (gain)/ loss for the year	(23,328)	64,362	(30,342)	39,654
	632,349	610,583	293,965	299,182
Retirement benefit obligation write off	-	(75)	-	-
Benefits paid during the year	(40,161)	(55,180)	(23,979)	(21,853)
Foreign currency translation adjustment	-	-	-	-
Balance at the end of the year	592,189	555,328	269,986	277,329

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(b) The amounts recognised in the Statement of profit or loss are as follows:

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Current service cost	43,036	34,444	17,859	14,976
Interest cost	57,313	56,760	29,120	27,654
Recognised in Statement of profit or loss (Note 07)	100,349	91,204	46,979	42,630

(c) The amounts recognised in the statement of comprehensive income are as follows:

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Actuarial (gain)/ loss during the year	(23,328)	64,362	(30,342)	39,654
Recognised in statement of comprehensive income	(23,328)	64,362	(30,342)	39,654

The Company maintains an unfunded defined benefit plan providing for gratuity benefits to employees expressed in terms of final monthly salary and number of years of service.

As at 31 March 2026, the defined benefit obligation was actuarially valued under the Projected Unit Credit (PUC) method by a professionally qualified actuary firm, Actuarial & Management Consultants (Private) Limited.

(d) The key assumptions used by the actuary include the following :

	Group / Company 31 March	
	2026	2025
Discount rate	11.00%	10.50%
Salary increment rate	10.0%	10.0%
Retirement age	60 years	60 years

Sensitivity analysis :

The following table demonstrates the sensitivity to reasonably possible changes at the reporting date in the key assumptions employed with all other variables held constant in the defined benefit obligation.

(e) The sensitivity of the statement of financial position is the effect of the assumed changes in discount rate and salary increment rate on the defined benefit obligation for the year.

	2026				
	Change in one percentage point	Group		Company	
		Financial posi- tion-liability	Comprehensive income-(charge) / credit for the year	Financial posi- tion-liability	Comprehensive income-(charge) / credit for the year
Discount rate	+1	(25,209)	25,209	(16,069)	16,069
	-1	28,282	(28,282)	18,024	(18,024)
Future salary increment rate	+1	32,617	(32,617)	18,638	(18,638)
	-1	(29,898)	29,898	(16,913)	16,913

	2025				
		Group		Company	
	Change in one percentage point	Financial position-liability	Comprehensive income-(charge) / credit for the year	Financial position-liability	Comprehensive income-(charge) / credit for the year
Discount rate	+1	(24,423)	24,423	(15,903)	15,903
	-1	27,185	(27,185)	17,802	(17,802)
Future salary increment rate	+1	30,850	(30,850)	18,086	(18,086)
	-1	(28,264)	28,264	(16,432)	16,432

(f) The expected maturity analysis of discounted post-employment benefits is as follows:

Group	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2026					
Defined benefit obligation	55,147	147,860	165,332	223,850	592,189
Total	55,147	147,860	165,332	223,850	592,189
31 March 2025					
Defined benefit obligation	69,849	92,345	169,022	224,111	555,328
Total	69,849	92,345	169,022	224,111	555,328
Company	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31 March 2026					
Defined benefit obligation	10,901	69,364	69,183	120,537	269,986
Total	10,901	69,364	69,183	120,537	269,986
31 March 2025					
Defined benefit obligation	35,637	27,279	90,551	123,862	277,329
Total	35,637	27,279	90,551	123,862	277,329

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29 DEFERRED INCOME TAX LIABILITIES

Deferred income taxes are calculated on temporary differences under the liability method using a principal tax rate of 30% (2024/25 - 30%),

(a) The gross movement in the deferred income tax account is as follows:

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	1,204,042	1,068,685	417,947	440,593
Origination/(reversal) of temporary differences recognised in Statement of profit or loss (Note 9)	326,203	214,377	121,137	(10,751)
Origination/(reversal) of temporary differences recognised in other comprehensive income	13,171	(79,020)	9,103	(11,896)
Balance at the end of the year	1,543,416	1,204,042	548,187	417,946

(b) The movement on the deferred income tax account was as follows:

(i) Movement in deferred income tax liability

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	1,704,278	1,631,570	684,567	691,015
Origination of temporary differences recognised in Statement of profit or loss	314,438	132,578	164,665	(6,448)
Effect on surplus on revaluation of buildings recognised in other comprehensive income (Note 34)	-	(16,911)	-	-
Currency translation difference	3,973	(1,095)	-	-
Effect on fair valuation of Equity instruments measured at FVOCI recognised in other comprehensive income	1,668	(41,864)	-	-
Balance at the end of the year	2,024,357	1,704,278	849,232	684,567

(ii) Movement in deferred income tax asset

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	(500,236)	(562,885)	(266,621)	(250,422)
Reversal of temporary differences recognised in Statement of profit or loss	11,766	81,799	(43,528)	(4,303)
Origination/(reversal) of temporary differences recognised in other comprehensive income	7,529	(19,150)	9,103	(11,896)
Balance at the end of the year	(480,942)	(500,236)	(301,046)	(266,621)
Deferred income tax liabilities - net	1,543,416	1,204,042	548,187	417,946

Deferred tax related to fair value re-measurement of financial assets measured at fair value through OCI which are charged or credited directly in other comprehensive income, is also credited or charged directly to other comprehensive income and subsequently recognised in the consolidated statement of profit or loss with the deferred gain or loss. No deferred tax recognized for equity instruments measured at fair value through OCI.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The movement in deferred income tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction is given below.

(c) Composition of deferred income tax liabilities and deferred income tax assets is as follows:

(i) Composition of deferred income tax liabilities

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Property, plant and equipment	1,139,296	1,111,070	568,282	578,142
Investment property	823,437	532,805	280,950	106,425
Financial assets at fair value through profit or loss	-	-	-	-
Financial assets at fair value through other comprehensive income	61,512	59,843	-	-
Right-of-use assets	113	560	-	-
	2,024,357	1,704,278	849,232	684,567

(ii) Composition of deferred income tax asset

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Defined benefit obligations	(171,976)	(161,936)	(80,996)	(83,199)
Lease liabilities	(123)	(581)	-	-
Provision for impairment of inventories	(157,782)	(136,912)	(72,179)	(36,179)
Provision for impairment of trade receivables	(179,321)	(180,777)	(149,662)	(146,605)
Unrealised exchange differences	29,328	(11,758)	1,790	(640)
Provision for payment in lieu of employee share issue scheme	-	-	-	-
Tax losses carried forward	(1,069)	(8,272)	-	-
	(480,942)	(500,236)	(301,047)	(266,622)

30 FINANCIAL INSTRUMENTS BY CATEGORY

(a) Financial instruments

Group	Financial assets measured at fair value through profit or loss	Financial assets measured at am- ortised cost	Financial assets measured at fair value through other compre- hensive income	Total
31 March 2026				
Assets as per the statement of financial position				
Financial assets measured at fair value through other comprehensive income (Note 19)	-	-	842,365	842,365
Trade and other receivables (Note 21) (excluding pre-payments and advances)	-	9,756,716	-	9,756,716
Financial assets measured at fair value through profit or loss (Note 22)	8,723,003	-	-	8,723,003
Investments in fixed deposits (Note 23)	-	6,652,657	-	6,652,657
Cash and bank balances (Note 24)	-	1,637,194	-	1,637,194
	8,723,003	18,046,567	842,365	27,611,935

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	Financial liabilities measured at amortised cost	Total
31 March 2026		
Liabilities as per the statement of financial position		
Trade and other payables (excluding statutory liabilities) (Note 25)	2,829,798	2,829,798
Lease liabilities (Note 16)	27,142	27,142
Other borrowed funds (Note 26)	2,179,699	2,179,699
	5,036,640	5,036,640

Company	Financial assets measured at fair value through profit or loss	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Total
31 March 2026				
Assets as per the statement of financial position				
Financial assets measured at Fair value through other comprehensive income (Note 19)	-	-	43,789	43,789
Trade and other receivables (excluding pre-payments and advances) (Note 21)	-	5,616,806	-	5,616,806
Financial assets measured at fair value through profit or loss (Note 22)	1,191,260	-	-	1,191,260
Investments in fixed deposits (Note 23)	-	1,499,740	-	1,499,740
Cash and bank balances (Note 24)	-	404,936	-	404,936
	1,191,260	7,521,482	43,789	8,756,531

	Financial liabilities measured at amortised cost	Total
31 March 2026		
Liabilities as per the statement of financial position		
Trade and other payables (excluding statutory liabilities) (Note 25)	1,737,730	1,737,730
Other borrowed funds (Note 26)	1,583,404	1,583,404
	3,321,134	3,321,134

Group	Financial assets measured at fair value through profit or loss	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Total
31 March 2025				
Assets as per the statement of financial position				
Financial assets measured at Fair value through other comprehensive income (Note 19)	-	-	787,746	787,746
Trade and other receivables (excluding pre-payments and advances) (Note 21)	-	6,907,407	-	6,907,407
Financial assets measured at fair value through profit or loss (Note 22)	5,957,483	-	-	5,957,483
Investments in fixed deposits (Note 23)	-	5,873,609	-	5,873,609
Cash and bank balances (Note 24)	-	2,077,022	-	2,077,022
	5,957,483	14,858,038	787,746	21,603,267

	Financial liabilities measured at amortised cost	Total
31 March 2025		
Liabilities as per the statement of financial position		
Trade and other payables (excluding statutory liabilities) (Note 25)	1,999,080	1,999,080
Lease liabilities (Note 16)	9,355	9,355
Other borrowed funds (Note 26)	1,385,499	1,385,499
	3,393,934	3,393,934

Company	Financial assets measured at fair value through profit or loss	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Total
31 March 2025				
Assets as per the statement of financial position				
Financial assets measured at fair value through other comprehensive income (Note 19)	-	-	26,803	26,803
Trade and other receivables (excluding pre-payments and advances) (Note 21)		3,537,842	-	3,537,842
Financial assets measured at fair value through profit or loss (Note 22)	1,088,623			1,088,623
Investments in fixed deposits (Note 23)		1,237,539		1,237,539
Cash and bank balances (Note 24)		1,056,432	-	1,056,432
	1,088,623	5,831,813	26,803	6,947,239

	Financial liabilities measured at amortised cost	Total
31 March 2025		
Liabilities as per the statement of financial position		
Trade and other payables (excluding statutory liabilities) (Note 25)	2,447,636	2,447,636
Other borrowed funds (Note 26)	784,192	784,192
	3,231,828	3,231,828

(b) Credit quality by class of financial assets

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	Group				Company			
31 March 2026	Neither past due nor impaired	Past due but not impaired	Collectively impaired	Total	Neither past due nor impaired	Past due but not impaired	Collectively impaired	Total
Trade and other receivables (excluding pre-payments and advances)	8,836,868	315,517	604,330	9,756,716	5,148,041	(30,109)	498,874	5,616,806
Financial assets measured at fair value through profit or loss (Note 22)	8,723,003	-	-	8,723,003	1,191,260	-	-	1,191,260
Investments in fixed deposits (Note 23)	6,652,657	-	-	6,652,657	1,499,740	-	-	1,499,740
Cash and bank balances (Note 24)	1,637,194	-	-	1,637,194	404,936	-	-	404,936
	25,849,721	315,517	604,330	26,769,569	8,243,977	(30,109)	498,874	8,712,742

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31 March 2025	Group				Company			
	Neither past due nor impaired	Past due but not impaired	Individually impaired	Total	Neither past due nor impaired	Past due but not impaired	Individually impaired	Total
Trade and other receivables (excluding pre-payments and advances)	4,723,908	1,574,847	608,652	6,907,407	2,963,630	85,529	488,683	3,537,842
Financial assets measured at fair value through profit or loss (Note 22)	5,957,483	-	-	5,957,483	1,088,623	-	-	1,088,623
Investments in fixed deposits (Note 23)	5,873,609	-	-	5,873,609	1,237,539	-	-	1,237,539
Cash and bank balances	2,077,022	-	-	2,077,022	1,056,432	-	-	1,056,432
	18,632,022	1,574,847	608,652	20,815,521	6,346,224	85,529	488,683	6,920,436

Financial assets at fair value through profit or loss (Note 22)

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
A(Ika)	8,723,003	5,957,483	1,191,260	1,088,623
	8,723,003	5,957,483	1,191,260	1,088,623
Cash at bank and Investment in fixed deposits (Note 23)				
AAA(Ika)'	833,975	709,164	407,698	578,942
AA-(Ika)'	6,443,158	-	1,491,358	-
A+(Ika)'	42,436	-	4,430	-
A(Ika)'	963,960	6,815,056	-	1,708,758
A-(Ika)'	6,117	19,389	985	4,809
BBB-(Ika)'	205	958	205	958
Total	8,289,850	7,544,571	1,904,676	2,293,468

31 CONTINGENT LIABILITIES

Company

- (a) The Department of Inland Revenue raised assessments on income tax for the year of assessments 2006/2007, 2007/2008, 2008/2009, 2011/2012, 2012/2013, 2013/2014 and 2014/2015 relating to the exemption claimed for profits under section 17 of the Inland Revenue Act No. 10 of 2006. The Company submitted appeals against the said assessments within the stipulated time frame in accordance with the Inland Revenue Act. The matters pertaining to the year of assessments 2006/2007, 2007/2008 and 2008/2009 are referred to the Court of Appeal for their opinion. The year of assessment 2011/2012 is pending before the Tax Appeal Commission for their determination. Management of the Company is of the view that no liability would arise since the Company is entitled for the Income Tax exempt under section 17 of the Inland Revenue Act No. 10 of 2006. On the date of 29th August 2023, the decision of the court of Appeal was made in favour of the Company and the case has referred to the Supreme Court.
- (b) The Company has issued corporate guarantees to secure the banking facilities obtained by the following Companies from Standard Chartered Bank.
- ACL Metals and Alloys (Private) Limited amounting LKR. 1,500 million
 - ACL Electric (Private) Limited amounting to LKR 500 million
 - Ceylon Copper (Private) Limited amounting to LKR 1,900 million

- (c) Bank guarantees amounting to LKR 526 million (USD 197,830.85) have been given to the suppliers as at 31 March 2026. (2025 - LKR 430 million)

Group

(a) **ACL Metals and Alloys (Private) Limited**

"The Department of Inland Revenue has raised assessments amounting to Rs. 81,725,038 in respect of the Years of Assessment 2007/08 and 2010/11 relating to the exemption claimed by the Company under Section 17 of the Inland Revenue Act, No. 10 of 2006. The Company has appealed against these assessments and the matters are currently under review by the relevant authorities. Having considered the merits of the appeals and the advice obtained from professional advisers, the Directors believe that the Company has reasonable grounds to contest the assessments successfully.

Accordingly, as it is not considered probable that an outflow of economic benefits will be required to settle these obligations, no provision has been recognised in the financial statements. The assessments have therefore been disclosed as contingent liabilities. The ultimate outcome of the appeals is dependent upon the decisions of the relevant authorities and courts, where applicable, and as such the final outcome cannot presently be predicted with certainty.

Bank guarantees amounting to LKR 25 million have been given to suppliers as at 31 March 2026. (2025- 25 million)

(b) **ACL Polymers (Private) Ltd**

The Department of Inland Revenue raised an assessment on income tax for the year of assessment 2007/2008 relating to the exemption claimed for profits under Section 17 of the Inland Revenue Act, No. 10 of 2006. The Company submitted an appeal against the assessment within the stipulated time frame in accordance with the Inland Revenue Act. The Court of Appeal delivered judgment in favor of ACL Polymers (Private) Limited on 9 December 2023. However, the Department of Inland Revenue has appealed to the Supreme Court against the Court of Appeal judgment and the matter remains pending before the Supreme Court. The disputed assessment amounts to approximately Rs. 29 million, for which management has recognized a provision within current income tax liabilities. Although the Court of Appeal judgment was in favor of the Company, management has decided not to reverse the provision pending the final determination of the matter by the Supreme Court. Based on the information currently available, management believes the provision recognized appropriately reflects the Company's exposure relating to the assessment.

(c) **Kelani Cables PLC**

Bank guarantees amounting to LKR 190 million have been given to third parties as at 31 March 2026. (2025 - 208 million)

(d) **ACL Plastics PLC**

Bank guarantees amounting to LKR 15 million have been given to third parties as at 31 March 2026. (2025 - 15 million)

32 COMMITMENTS

Financial commitments

Company

(a) **Letter of Credits**

The Company has LKR 1,536 million commitment on Letter of Credits as at 31 March 2026. (2025- 401 million)

There were no other material commitments outstanding as at 31 March 2026. (2025- Nil)

Group

(a) **Kelani Cables PLC**

Kelani Cables PLC has a commitment on Letter of Credits amounting to LKR 1,192 million as at 31 March 2026. (2025 - 1,458 million)

(b) **ACL Plastics PLC**

ACL Plastics PLC has a commitment on Letter of Credits amounting to LKR 83.8 million as at 31 March 2026. (2025 - 42 million)

(c) **ACL Metals and Alloys (Private) Limited**

ACL Metals and Alloys (Private) Limited has no commitment on Letter of Credits as at 31 March 2026. (2025 - Nil)

(d) **ACL Electric (Private) Limited**

ACL Electric (Private) Limited has no commitment on Letter of Credits as at 31 March 2026. (2025- Nil)

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(e) **Ceylon Copper (Private) Limited**

Ceylon Copper (Private) Limited has no commitment on Letter of Credits as at 31 March 2026. (2025- Nil)

Capital commitments

(a) **Company and Group**

There were no material capital commitments outstanding at the balance sheet date. (2025- Nil)

33 STATED CAPITAL

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Number of ordinary shares issued and fully paid				
Issued ordinary shares as at 01st April	239,574,720	239,574,720	239,574,720	239,574,720
Effect of share split	479,149,440	-	479,149,440	-
Balance at the end of the year	718,724,160	239,574,720	718,724,160	239,574,720
Stated capital				
Balance at the beginning of the year	299,488	299,488	299,488	299,488
Balance at the end of the year	299,488	299,488	299,488	299,488

Weighted average Number of Ordinary shares in 2026 has been adjusted based on post sub-division of 3 shares for every one ordinary share held.

The ordinary shares of ACL Cables PLC are quoted on the Colombo Stock Exchange. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are eligible for one vote per share at General Meetings of the Company. All shares rank equally with regard to the Company's residual assets.

34 REVALUATION RESERVE

(a) **Nature and purpose of Revaluation reserve**

The Revaluation reserve is used to record increments and decrements on the revaluation of the property, plant and equipment. In the event of a sale of an asset, any balance in the reserve in relation to the asset is transferred to retained earnings.

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	3,516,523	3,505,056	1,651,103	1,651,103
Revaluation surplus	-	-	-	-
Deferred tax on revaluation surplus (Note 29 b(i))	-	16,911	-	-
Transfer to retained earnings from revaluation reserve	(5,444)	(5,444)	-	-
Balance at the end of the year	3,511,079	3,516,523	1,651,103	1,651,103

(b) **Group capital reserve as at reporting date consists of the following;**

	Group 31 March	
	2026	2025
Capital redemption reserve fund	4,435	4,435
Surplus on revaluation of property, plant and equipment	3,506,644	3,512,088
	3,511,079	3,516,523

35 GENERAL RESERVE

(a) Nature and purpose of General reserve

General reserve consists of such amounts that have been from time to time transferred from retained earnings as resolved at general meetings of the Company/Group for general applications.

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	1,123,825	1,123,825	680,266	680,266
Balance at the end of the year	1,123,825	1,123,825	680,266	680,266

36 FAIR VALUE RESERVE OF FINANCIAL ASSETS MEASURED AT FVOCI

(a) Nature and purpose of General reserve

The group has recognised changes in the fair value of investments in equity securities in other comprehensive income. These changes are accumulated within the fair value through other comprehensive income reserve within equity. The group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	196,861	260,791	16,558	7,117
Fair value adjustment for equity instruments at fair value through other comprehensive income	43,393	(105,794)	16,986	9,441
Deferred tax on the fair value adjustment for equity instruments at fair value through other comprehensive income (Note 29 (b) (i))	(1,668)	41,864	-	-
Balance at the end of the year	238,586	196,861	33,544	16,558

37 FOREIGN CURRENCY TRANSLATION RESERVE

Foreign currency translation reserve comprises all foreign currency differences arising from the translation of the Financial statements of foreign operations.

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Balance at the beginning of the year	107,225	120,716	-	-
Currency translation difference	69,886	(13,491)	-	-
Balance at the end of the year	177,111	107,225	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

(all amounts in Sri Lanka Rupees thousands)

38 CASH FLOW INFORMATION

(a) Cash generated from / (used in) operations

Reconciliation of profit before tax to cash generated from/ (used in) operations:

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Profit before tax	10,519,680	7,979,938	5,199,798	3,351,665
Adjustments for:				
Depreciation of property, plant and equipments (Note 12)	351,284	351,784	114,351	116,877
Depreciation of right-of-use assets (Note 16)	16,272	7,064	-	-
Share of profit from equity accounted investee, net of tax [Note 18(a)]	(51,049)	(69,908)	-	-
Cash dividend from equity investee (Note 18)	21,028	28,027	-	-
Dividend income (Note 5)	(6,474)	(2,745)	(357,241)	(311,418)
Interest expense (Note 8)	128,183	266,993	111,572	167,920
Interest income (Note 8)	(833,085)	(390,848)	(72,732)	(62,379)
Profit on disposal of property, plant and equipment (Note 5)	(1,939)	(847)	-	-
Fair value adjustment to Financial assets at Fair value through profit or loss (Note 22)	(585,519)	(320,141)	(102,637)	(69,652)
Fair value adjustment to investment properties (Note 14)	(699,750)	(85,750)	(581,750)	(32,750)
Defined benefit obligations [Note 28(b)]	100,349	91,204	46,978	42,631
Effect of movements in exchange rates	(347,125)	(54,886)	(88,436)	-
Changes in working capital:				
Increase in inventories	(1,662,813)	(1,137,911)	(1,357,855)	(594,109)
Increase in receivables and prepayments	(3,534,736)	(767,481)	(2,267,072)	358,928
Increase in trade and other payables	859,129	405,344	(692,870)	(525,926)
Cash generated from /(used in) operations	4,273,435	6,299,835	(47,893)	2,441,787

(b) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for each of the periods presented.

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Net debt				
Cash and cash equivalents (Note 24)	1,637,194	2,077,022	404,936	1,056,432
Investment in Fixed deposits (Note 23)	6,601,760	5,873,609	1,499,740	1,237,539
Financial assets at fair value through Profit or Loss (Note 22)	8,723,003	5,957,483	1,191,260	1,088,623
Borrowings – repayable within one year (including overdraft)	2,107,988	1,265,180	1,525,876	688,695
Borrowings – repayable after one year	71,712	120,319	57,528	95,497
Lease liabilities	27,142	9,355	-	-
Net debt	14,755,115	12,513,258	1,512,532	2,598,402
Cash and liquid investments	16,961,957	13,908,113	3,095,936	3,382,594
Gross debt – variable interest rates	2,206,842	1,394,855	1,583,404	784,192
Net debt	14,755,115	12,513,258	1,512,532	2,598,402

(a) Business Segment information

	Manufacturing cables		Manufacturing PVC compound		Others		Manufacturing cables		Manufacturing PVC compound		Others	
	2026	2026	2026	2026	2026	2026	2025	2025	2025	2025	2025	2025
Revenue												
Total revenue	46,848,722	2,851,073	51,796,577	38,148,827	2,441,286	1,592,889	42,183,001					
Inter-segment sales	(1,436,447)	(2,755,739)	(6,288,968)	(745,406)	(2,357,807)	(1,592,889)	(4,696,101)					
External sales	45,412,275	95,334	45,507,609	37,403,421	83,479	-	37,486,900					
Results												
Profit before other income and finance cost	6,855,385	863,704	8,334,190	6,223,496	563,819	472,334	7,259,649					
Other income	827,834	4,879	844,019	191,888	2,151	12,346	206,385					
Finance cost	908,867	241,003	1,290,422	303,893	106,165	33,938	443,996					
Share of profit of equity accounted investee (power and energy)	-	-	51,049	-	-	-	69,908					
Taxation	(2,706,853)	(311,776)	(3,239,437)	(2,200,262)	(207,395)	(152,744)	(2,560,401)					
Profit after taxation	5,885,234	797,810	7,280,244	4,519,015	464,740	365,874	5,419,537					
Assets												
Segment assets	43,631,953	3,834,900	51,767,583	36,536,428	3,089,662	2,952,722	42,578,812					
Unallocated corporate assets			1,075,356				1,074,986					
Total assets			52,842,939				43,653,798					
Liabilities												
Segment liabilities	8,909,870	365,440	9,619,561	6,837,976	283,624	347,466	7,469,066					
Unallocated corporate liabilities			245,376				164,644					
Total liabilities			9,864,938				7,633,710					
Capital expenditure												
Segment capital expenditure	292,991	54,392	400,054	305,460	1,303	64	306,827					
Total capital expenditure			400,054				306,827					
Depreciation and amortisation												
Segment depreciation and amortisation	313,598	15,718	351,284	309,520	19,976	22,288	351,784					
Total depreciation and amortisation			351,284				351,784					

(b) Geographical segment information

Geographical segment turnover is given in Note 4.

Ceylon Electricity Board accounts for more than 20% of sales from both the Group and the Company's total turnover.

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40 DIRECTORS' INTERESTS IN CONTRACTS AND RELATED PARTY TRANSACTIONS

- 40.1** Mr. U.G. Madanayake, Mr. Suren Madanayake and Mrs. N.C. Madanayake who are Directors of the Company, are also Directors of ACL Plastics PLC which is a 65.2% owned subsidiary of ACL Cables PLC.
- 40.2** Mr. U.G. Madanayake, Mr. Suren Madanayake and Mrs. N.C. Madanayake who are Directors of the Company are also the Directors of Lanka Olex Cables (Private) Limited which is a 100% owned subsidiary of ACL Cables PLC.
- 40.3** Mr. U.G. Madanayake, Mr. Suren Madanayake and Mrs. N.C. Madanayake who are Directors of the Company are also the Directors of Kelani Cables PLC which is a 79.3% owned subsidiary of ACL Cables PLC.
- 40.4** Mr. U.G. Madanayake and Mr. Suren Madanayake who are Directors of the Company are also the Directors of ACL Kelani Magnet Wire (Private) Limited which is a 93.79% owned subsidiary of ACL Cables PLC.
- 40.5** Mr. U.G. Madanayake and Mr. Suren Madanayake who are Directors of the Company are also the Directors of ACL Metals and Alloys (Private) Limited which is a 100% owned subsidiary of ACL Cables PLC.
- 40.6** Mr. U.G. Madanayake and Mr. Suren Madanayake who are Directors of the Company are also the Directors of ACL Polymers (Private) Limited which is a 65.2% owned subsidiary of ACL Cables PLC.
- 40.7** Mr. U.G. Madanayake, Mr. Suren Madanayake and Mrs. N. C. Madanayake who are Directors of the Company are also the Directors of Ceylon Bulbs and Electricals Limited which is a 95.3% owned subsidiary of ACL Cables PLC.
- 40.8** Mr. U. G. Madanayake and Mr. Suren Madanayake who are Directors of the Company are also the Directors of Ceylon Copper (Private) Limited which is a 100% owned subsidiary of ACL Cables PLC.
- 40.9** Mr. U. G. Madanayake and Mr. Suren Madanayake who are Directors of the Company are also the Directors of ACL Electric (Private) Limited which is a 100% owned subsidiary of ACL Cables PLC.
- 40.10** Mr. U. G. Madanayake and Mr. Suren Madanayake who are Directors of the Company are also the Directors of Cable Solutions (Private) Limited which is a 51% owned subsidiary of ACL Cables PLC.
- 40.11** Mr. Suren Madanayake who is a Director of the Company is also a Director of S M Lighting (Private) Limited.
- 40.12** Mr. Suren Madanayake who is a Director of the Company is also a Director of Resus Energy PLC which is a 32.52% owned associate of ACL Cables PLC.
- 40.13** The Company had the following business transactions in the ordinary course of business during the year :

(a) Sale of goods and services (inclusive of taxes)

For the year ended 31 March	Relationship	Company	
		2026	2025
Kelani Cables PLC	Subsidiary	1,316,364	547,017
ACL Plastics PLC	Subsidiary	11,556	9,170
Ceylon Copper (Private) Limited	Subsidiary	-	13,286
Cable Solutions PLC	Subsidiary	36,605	130
ACL Electric (Private) Limited	Subsidiary	377	20
		1,364,902	569,623

(b) Purchase of goods and services (inclusive of taxes)

For the year ended 31 March	Relationship	Company	
		2026	2025
ACL Plastics PLC	Subsidiary	1,613,938	1,426,501
Kelani Cables PLC	Subsidiary	107,446	48,682
Ceylon Bulbs and Electricals Limited	Subsidiary	1,200	1,200
ACL Metals and Alloys (Private) Limited	Subsidiary	491,324	256,151
Ceylon Copper (Private) Limited	Subsidiary	317,483	464,343
Cable Solutions PLC	Subsidiary	49,611	186,550
ACL Electric (Private) Limited	Subsidiary	1,547,341	1,049,879
		4,128,344	3,433,306

(c) Interest on loans from related parties

For the year ended 31 March	Relationship	Company	
		2026	2025
Kelani Cables PLC	Subsidiary	3,769	11,388
ACL Metals and Alloys (Private) Limited	Subsidiary	19,471	4,048
ACL Polymers (Private) Limited	Subsidiary	9,469	10,026
ACL Plastics PLC	Subsidiary	-	14,330
		32,710	39,792

(d) Interest on loans to related parties

For the year ended 31 March	Relationship	Company	
		2026	2025
ACL Kelani Magnet Wire (Private) Limited	Subsidiary	928	1,372
		928	1,372

(e) Dividends received from related parties

For the year ended 31 March	Relationship	Company	
		2026	2025
Ceylon Copper (Private) Limited	Subsidiary	-	72,000
Kelani Cables PLC	Subsidiary	11,905	7,937
Lanka Olex Cables (Private) Limited	Subsidiary	206,994	129,000
ACL Plastics PLC	Subsidiary	58,583	46,902
Cable Solutions PLC	Subsidiary	57,130	26,952
Resus Energy PLC	Associate	21,025	28,033
		355,636	310,824

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(f) There were no dividend payments to related parties during the year ended 31 March 2026.

(g) Key management compensation

	Group 31 March		Company 31 March	
	2026	2025	2026	2025
Short-term benefits	110,969	116,879	106,749	100,987
Post employment benefits	1,004	12,655	-	-
	111,972	129,534	106,749	100,987

40.14 Balances arising from above related party transactions as at the balance sheet date are as follows;

(a) Payable to related parties

Company	Relationship	Company 31 March	
		2026	2025
Kelani Cables PLC	Subsidiary	4,943	10,464
ACL Metals and Alloys (Private) Limited	Subsidiary	97,789	237,644
ACL Plastics PLC	Subsidiary	261,837	452,764
Ceylon Copper (Private) Limited	Subsidiary	60,220	294,446
ACL Polymers Private Limited	Subsidiary	25,235	28,707
Ceylon Bulbs and Electricals Limited	Subsidiary	362	-
ACL Electric (Private) Limited	Subsidiary	384,721	426,015
		835,107	1,450,040

Group	Relationship	Company 31 March	
		2026	2025
S M Lighting (Private) Limited	Related through KMP	7,402	8,394

(b) Receivable from related parties

Company	Relationship	Company 31 March	
		2026	2025
Kelani Cables PLC	Subsidiary	105,159	286,516
ACL Kelani Magnet Wire (Private) Limited	Subsidiary	61,068	61,048
Ceylon Bulbs and Electricals Limited	Subsidiary	-	44
ACL Metals and Alloys (Private) Limited	Subsidiary	-	43,979
ACL Plastics PLC	Subsidiary	92	-
Cables Solutions PLC	Subsidiary	36,209	130
		202,528	391,717

(c) Loans receivable

	Relationship	Company 31 March	
		2026	2025
ACL Kelani Magnet Wire (Private) Limited	Subsidiary	10,000	14,000
		10,000	14,000

(d) Loans Payable

	Relationship	Company 31 March	
		2026	2025
ACL Metals and Alloys (Private) Limited	Subsidiary	-	400,000
ACL Polymers (Private) Limited	Subsidiary	113,720	113,720
		113,720	513,720

There were no other related parties or related party transactions during the year ended 31 March 2026 other than those disclosed above.

40.15 Interest in related entities

(a) Material Subsidiaries

The group's principal subsidiaries at 31 March 2026 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. Sri Lanka is the country of incorporation or registration and is also their principal place of business.

Name of entity	Place of Business	Ownership interest held by the Group		Ownership interest held by non-controlling interest	
		2026	2025	2026	2025
ACL Plastics PLC	Colombo	65.20%	65.20%	34.80%	34.80%
Kelani Cables PLC	Kelaniya	79.30%	79.30%	20.70%	20.70%
Ceylon Bulbs and Electricals Limited	Colombo	95.30%	95.30%	4.70%	4.70%
Lanka Olex Cables (Private) Limited	Colombo	100%	100%	-	-
ACL Kelani Magnet Wire (Private) Limited	Colombo	93.79%	93.79%	6.21%	6.21%
ACL Metals and Alloys (Private) Limited	Colombo	100%	100%	-	-
Ceylon Copper (Private) Limited	Colombo	100%	100%	-	-
ACL Electric (Private) Limited	Colombo	100%	100%	-	-
Cable Solutions PLC	Colombo	51%	51%	49%	49%
Cable Solutions (Private) Limited	India - Chennai	99%	99%	1%	1%

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(b) Interest in associates

Set out below is the associate of the group as at 31 March 2026 which, in the opinion of the directors, is material to the group. The entity listed below has share capital consisting solely of ordinary shares, which are held directly by the group. Sri Lanka is the country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Place of Business	Ownership interest held by the Group		Carrying amount	
		2026	2025	2026	2025
RESUS Energy PLC	Colombo	32.52%	32.52%	835,278	804,004

40.16 All the transactions with related parties are carried out in the ordinary course of business, on an arms' length basis and charge interest at quarterly review Treasury Bill rate. These are to be settled on demand.

41 GOING CONCERN

'The Group has prepared the financial statements for the year ended 31 March 2026 on the basis that it will continue to operate as a going concern. Based on available information, the management has assessed prevailing macroeconomic conditions and its effect on the Group companies in determining the going concern basis for the preparation of financial statements. The management has formed judgment that the Company, its subsidiaries, associates and joint ventures have adequate resources to continue in operational existence for the foreseeable future driven by the continuous operationalisation of risk mitigation initiatives and monitoring of business continuity and response plans at each business unit level along with the financial strength of the Group . Therefore, the Board is of the view that the Financial Statements for the year ended 31 March 2026 should be prepared and presented as a going concern.

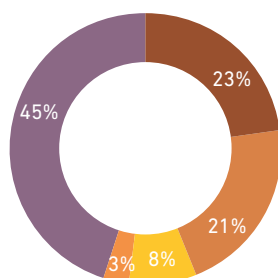
42 EVENTS SUBSEQUENT TO THE REPORTING DATE

There have been no events subsequent to the reporting date, which require disclosure in the financial statements.

STATEMENT OF VALUE ADDED GROUP

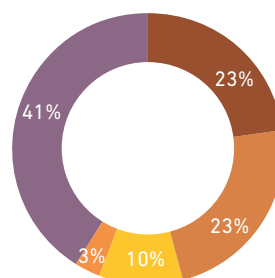
	2026 Rs. '000	2025 Rs. '000
Total revenue	45,507,609	37,486,900
Other operating & interest income	2,313,673	987,282
	47,821,282	38,474,182
Cost of material and services bought in	(33,830,686)	(27,250,149)
Total value added by the group	13,990,596	11,224,033
Value added shared with		
Government of Sri Lanka (Taxes)	23% 3,239,437	23% 2,560,401
Employees (Salaries and other costs)	21% 2,988,408	23% 2,625,320
Lenders (Interest on loan capital & minority interest)	8% 1,070,548	10% 1,107,070
Shareholders (Dividends)	3% 359,362	3% 299,468
Retained in the business (Depreciation & retained profits)	45% 6,332,841	41% 4,631,774
	100% 13,990,596	100% 11,224,033

2026



- Government of Sri Lanka
- Employees
- Lenders
- Shareholders
- Retained in the business

2025



- Government of Sri Lanka
- Employees
- Lenders
- Shareholders
- Retained in the business

INFORMATION OF SHAREHOLDERS

(A) DISTRIBUTION OF SHAREHOLDERS AS AT 31 MARCH 2026

SHARE RANGE	Number of Shareholders	Number of ordinary shares	% of holding
01 to 1,000	7,310	2,054,489	0.29
1,001 to 10,000	3,409	12,301,617	1.71
10,001 to 100,000	1176	37,035,698	5.15
100,001 to 1,000,000	259	74,026,223	10.30
Over 1,000,000	37	593,306,133	82.55
Total	12,191	718,724,160	100.00

(B) ANALYSIS REPORT OF SHAREHOLDERS AS AT 31 MARCH 2026

	Number of shares	% of holding
Institutional	144,376,129	20.09
Individuals	574,348,031	79.91
Total	718,724,160	100.00

(C) MARKET AND OTHER INFORMATION

	31 March 2026	31 March 2025
Company - Basic/Diluted		
a) Earnings per share (LKR)	5.23	3.35
b) Dividends per share (LKR)	1.50	1.25
c) Net assets value per share (LKR)	23.60	18.81
d) Market value per share		
- Highest value (LKR)	260.25	144.00
- Lowest value (LKR)	81.10	75.50
- Value as at the end of financial year (LKR)	85.00	122.00
e) Number of trades	71,158	31,436
f) Total number of shares traded	176,604,328	60,979,229
g) Total turnover (LKR)	21,593,222,265	6,417,566,519
h) Percentage of shares held by the public	38.36%	37.92%
i) Number of public shareholders	12,188	5,724
j) Market capitalization	61,091,553,600	29,228,115,840
	31 March 2026	31 March 2025
Float adjusted market capitalization	23,436,078,960	11,083,440,384

The Company complies with option 1 of the Listing Rules 7.13.1 (i) (a)- Rs.23.4 billion Float adjusted Market Capitalization which requires no minimum public holding percentage.

Consolidated - Basic/Diluted

a) Earnings per share (LKR)	8.82	6.37
b) Net assets value per share (LKR)	51.35	42.85

(D) TWENTY LARGEST SHARE HOLDERS LIST AS AT

Share Holder Name		31 March 2026		31 March 2025	
		No. Shares	%	No. Shares	%
1	Mr. U. G. Madanayake	274,166,592	38.15	91,388,864	38.15
2	Mr. Suren Madanayake	159,628,752	22.21	53,209,584	22.21
3	Employees Provident Fund	61,899,743	8.61	11,814,864	4.93
4	Madanayake N.C.	12,385,200	1.72	4,128,400	1.72
5	FAB Foods (Private) Limited	9,210,240	1.28	3,070,080	1.28
6	Selliah A.	6,600,000	0.92	1,800,000	0.75
7	Hatton National Bank PLC - Capital Alliance	5,370,702	0.75	-	-
8	Perera R.D.M	4,211,184	0.59	1,403,728	0.59
9	Commercial Bank Of Ceylon PLC/P.Subasinghe	4,174,701	0.58	-	-
10	Sir Cyril De Zoysa Trust	4,092,432	0.57	1,364,144	0.57
11	Dfcc Bank PLC A/C NO.02	3,952,385	0.55	-	-
12	Arunodhaya (Private) Limited	3,000,000	0.42	1,000,000	0.42
13	Arunodhaya Industries (Private) Limited	3,000,000	0.42	1,000,000	0.42
14	Arunodhaya Investments (Private) Limited	3,000,000	0.42	1,000,000	0.42
15	Yusoof H.	2,650,000	0.37	460,000	0.19
16	Perera and Sons Bakers Pvt Limited	2,407,000	0.33	350,000	0.15
17	Andysel Private Limited	2,400,000	0.33	800,000	0.33
18	Employees Trust Fund Board	2,243,528	0.31	61,014	0.03
19	BNYM Re Acadian Frontier Markets Equity Fund	2,232,584	0.31	-	-
20	Weerasinghe A.S.	2,160,864	0.30	720,288	0.30

DECADE AT A GLANCE - GROUP

Trading Results Year Ended	31 March 2026	31 March 2025	31 March 2024	31 March 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018	31 March 2017
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Turnover	45,507,609	37,486,900	29,196,329	30,146,826	35,328,737	22,619,123	18,682,254	18,183,298	16,251,907	14,669,735
Profit before tax	10,519,680	7,979,938	4,662,927	9,165,076	6,237,262	1,941,685	1,302,993	874,513	1,057,249	1,764,563
Taxation	(3,239,436)	(2,560,401)	(1,217,106)	(2,152,537)	(1,123,282)	(187,963)	(278,750)	(250,254)	(294,513)	(509,124)
Profit after tax	7,280,244	5,419,537	3,445,820	7,012,540	5,113,980	1,753,722	1,024,243	624,259	762,736	1,255,439
Balance Sheet As At	31 March 2026	31 March 2025	31 March 2024	31 March 2023	31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018	31 March 2017
	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000	LKR '000
Stated capital	299,488	299,488	299,488	299,488	299,488	299,488	299,488	299,488	299,488	299,488
Revaluation reserve	3,511,079	3,516,523	3,505,056	2,844,283	2,968,432	2,968,657	2,270,744	2,274,026	2,277,718	1,790,589
Foreign currency translation reserve	177,111	107,225	120,716	231,794	(72,198)	-	-	-	-	-
Revenue reserve	32,916,680	26,874,943	22,699,327	20,124,613	14,221,106	10,064,788	8,667,049	7,967,259	7,751,398	7,241,173
	36,904,350	30,798,179	26,624,588	23,500,180	17,416,828	13,332,933	11,237,281	10,540,773	10,328,603	9,331,250
Non-controlling interests	6,073,642	5,221,909	4,381,917	3,958,088	2,724,218	1,947,135	1,696,178	1,284,316	1,245,074	1,135,318
Non-current liabilities	2,225,790	1,880,098	1,867,070	1,846,035	2,229,345	1,982,503	2,033,584	1,108,572	1,225,767	718,334
	45,203,790	37,900,186	32,873,575	29,304,305	22,370,392	17,262,571	14,967,043	12,933,661	12,799,444	11,184,902
Property, plant & equipment	6,265,953	6,125,116	6,238,948	5,604,193	5,483,037	5,449,766	4,761,445	4,491,089	4,151,266	3,347,709
Leasehold properties - pre-payments	17,691	11,053	15,775	21,693	28,754	36,556	40,520	1,622	1,644	1,666
Capital work in progress	290,031	336,298	284,813	418,816	396,319	244,669	32,517	73,701	97,469	31,678
Intangible assets	68,281	68,281	68,281	68,281	68,281	75,965	88,813	7,050	7,705	9,138
Investment property	2,528,500	1,828,750	1,743,000	1,302,000	1,229,400	1,145,050	782,000	653,000	638,000	538,750
Financial assets at FVOCI	842,365	787,746	883,374	868,546	546,954	469,885	367,570	373,695	274,488	34,211
Investment in equity accounted investee	835,278	804,004	762,802	676,787	555,749	401,385	312,874	255,792	277,206	275,286
Investment in fixed deposits	50,896	-	-	-	-	-	-	-	-	-
Deferred tax asset	-	-	-	-	-	-	-	1,957	3,959	1,774
Current assets	41,943,943	33,692,550	28,271,239	27,150,893	25,311,313	19,397,016	17,095,595	15,030,878	13,694,440	12,325,252
Current liabilities	(7,639,149)	(5,753,612)	(5,394,657)	(6,806,905)	(11,249,414)	(9,957,717)	(8,514,293)	(7,955,123)	(6,346,730)	(5,380,561)
Capital employed	45,203,790	37,900,186	32,873,575	29,304,305	22,370,392	17,262,571	14,967,043	12,933,661	12,799,444	11,184,902
Ratios										
Gross profit margin	25.17%	27.27%	24.47%	36.45%	22.45%	16.98%	17.79%	15.21%	16.19%	22.10%
Net profit margin after tax	16.00%	14.46%	11.80%	23.26%	14.48%	7.75%	5.48%	3.40%	4.69%	8.56%
Sales growth	21.40%	28.40%	-3.15%	-14.67%	56.19%	21.07%	2.74%	11.88%	10.79%	14.51%
Profit growth	31.83%	71.14%	-49.12%	46.94%	221.23%	49.02%	49.00%	-17.28%	-40.08%	4.07%
Current ratio	5.49	5.86	5.24	3.99	2.25	1.95	2.01	1.89	2.16	2.29
Net asset per share (Rs.)	51.35	128.58	111.15	98.11	72.71	55.66	107.99	98.73	96.63	87.39
Dividend per share (Rs.)	1.50	1.25	1.25	1.00	1.00	0.75	1.50	1.50	1.50	1.50
Earning per share (Rs.)	8.82	19.12	11.93	24.85	17.97	6.47	7.44	4.67	5.82	9.33
Market value per share (Rs.)	85.00	122.00	84.10	82.30	57.00	35.90	31.10	32.30	41.00	54.50
Price earning ratio	9.64	6.38	7.05	3.31	3.17	5.54	4.18	6.99	7.04	5.84
Dividend cover ratio *	17.64	15.29	9.55	24.85	17.97	8.63	4.96	3.08	3.88	6.22
Dividend payout ratio *	0.05	0.07	0.10	0.04	0.06	0.12	0.20	0.32	0.26	0.16

* 2026 figures reflect the effect of 1:3 share subdivision

REAL ESTATE PORTFOLIO - GROUP

Name of the Owning Company and Location	Land (Acres) Freehold	Buildings (Sq. Ft)	No of Buildings	Net Book Value	
				2026 Rs. 000	2025 Rs. 000
ACL Cables PLC					
Welithotuwa Road, Batakettara, Piliyandala	16.94	255,103	26	1,890,821	1,928,297
Ensalwatta, Madapatha Road, Piliyandala	1.21	-	-	115,500	102,000
AMW Premises, Nagoda, Kaluthara	2.76	-	-	181,500	118,500
Venivelkole Mukalana, Korala Ima, Kahathuduwa	13.02	-	-	680,000	197,500
60, Rodney Street, Colombo 08	-	15,288	1	141,000	141,000
Parakum Mawatha, Isurupura, Anuradhapura	0.15	1,472	1	5,065	-
	34.06	271,863	28	3,013,886	2,487,297
Kelani Cables PLC					
Wewelduwa, Kelaniya	7.06	125,299	19	889,429	875,418
Mahena Road, Siyambalape	1.08	35,583	5	137,450	147,225
Cinco Watta, Raja Mawatha, Ekala, Ja-Ela	13.00	-	-	846,000	780,000
	21.14	160,882	24	1,872,879	1,802,643
ACL Plastics PLC					
Temple Road, Ekala, Ja-Ela	3.21	36,579	9	279,688	285,368
Niwasipura, Ekala, Ja-Ela	0.06	1,690	1	18,000	18,500
Suhada Mawatha (Off Samagi Mawatha)	0.13	-	-	11,500	11,500
	3.40	38,269	10	309,188	315,368
ACL Kelani Magnet Wire (Pvt) Ltd					
No.07, Raja Mawatha, Ekala, Ja-Ela	3.53	50,554	7	461,000	409,000
Ceylon Bulbs & Electricals Ltd					
60, Rodney Street, Colombo 08	1.69	24,706	11	1,410,000	1,141,000
ACL Metals & Alloys (Pvt) Ltd					
Welithotuwa Road, Batakettara, Piliyandala	-	23,460	1	124,103	129,499
Ceylon Copper (Pvt) Ltd					
Welithotuwa Road, Batakettara, Piliyandala	0.99	7,150	1	101,170	102,886
ACL Electric (Pvt) Ltd					
Miriseatte Estate, Millewa, Moragahahena, Horana	1.51	14,960	1	108,160	111,580
Cable Solution (Pvt) Ltd					
Ranmuthugala Estate,Ranmuthugala, Kadawatha	-	34,216	2	122,200	126,804
Total value of land and buildings - (Note 12 and 14)	66.33	626,060	85	7,522,586	6,626,077

GLOSSARY OF FINANCIAL TERMS

ACCOUNTING POLICIES

The specific principles, bases, conventions, rules and practices adopted by an enterprise in preparing and presenting Financial Statements.

AMORTIZATION

The systematic allocation of the depreciable amount of an intangible asset over its useful life.

AWDR

The Average Weighted Deposit Rate is calculated by the Central Bank monthly and half yearly based on the weighted average of all outstanding interest bearing deposits of commercial banks and the corresponding interest rates.

AWPLR

The Average Weighted Prime Lending Rate is calculated by the Central Bank weekly, monthly and half yearly based on commercial bank's lending rates offered to their prime customers.

BASIC EARNINGS PER SHARE

Profits attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year.

BORROWINGS

All interest bearing liabilities.

CAPITAL EMPLOYED

Total equity, minority interest and interest bearing borrowings.

CAPITAL RESERVES

Reserves identified for specific purposes and considered not available for distribution.

CASH EQUIVALENTS

Liquid investments with original maturity period of three months or less.

CONTINGENT LIABILITY

A possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within control of the enterprise.

CREDIT RATING

An evaluation of a corporate's ability to repair its obligations or the likelihood of not defaulting, carried out by an independent rating agency.

CREDIT RISK

Risk that the counterparty to a transaction fails to meet its contractual obligations in accordance to the agreed terms and conditions.

CORPORATE GOVERNANCE

The process by which corporate entities are governed. It is concerned with the way in which power is exercised over the management and direction of the entity, the supervision of executive action and accountability to owners and others.

CURRENT RATIO

Current assets divided by current liabilities. A measure of liquidity.

DEBT /EQUITY

Debt as a percentage of total equity less minority interest if any.

DEFERRED TAXATION

The tax effect of temporary differences deferred to/from another period, which would only qualify for inclusion on a tax return at a future date.

DIVIDENDS

Distribution of profits to holders of equity investment.

DIVIDEND COVER

Profit attributable to ordinary shareholders divided by dividend. Measures the number of times dividend is covered by distributable profit.

DIVIDEND YIELD

Dividend per share as a percentage of the market price. A measure of return on investment

DERIVATIVES

Financial contracts whose values are derived from the values of underlying assets.

EARNINGS PER SHARE

Earnings Per Ordinary Share (EPS) Profits attributable to ordinary shareholders divided by the weighted average number of ordinary shares in issue during the year.

EFFECTIVE TAX RATE

Income tax expenses divided by profit from ordinary activities before tax.

EQUITY

Shareholders' funds.

FAIR VALUE

The amount at which an asset is exchanged or a liability settled, between knowledgeable and willing parties in an arm's length transaction.

FAIR VALUE THROUGH PROFIT OR LOSS (FVPL)

Financial instruments that are held for trading and are designated as at fair value through profit and loss. ACL Cables PLC 170.

FINANCIAL ASSET

Any asset that is cash or an equity instrument of another entity or a contractual right to receive cash or another financial asset from another entity or a contractual right to exchange financial instruments with another entity under conditions that are potentially favorable.

FINANCIAL INSTRUMENTS

Any contract that gives rise to a financial assets of one entity and financial liability or equity instrument of another entity.

FINANCIAL LIABILITY

A contractual obligation to deliver cash or another financial asset to another entity or exchange financial instruments with another entity under conditions that are potentially unfavourable.

GEARING

Proportion of total interest bearing borrowings to capital employed.

IMPAIRMENT

Occurs when recoverable amount of an asset is less than its carrying amount.

INTEREST COVER

Profit before tax plus net finance cost divided by net finance cost. Measure of an entity's debt service ability.

LIQUIDITY RISK

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities.

LOANS AND RECEIVABLES

A financial asset with fixed and determinable payments that are not quoted in an active market and do not qualify as trading assets.

MARKET CAPITALIZATION

Number of shares in issue multiplied by the market value of a share at the report date.

MARKET RISK

Possibility of loss arising from changes in the value of a financial instrument as a result of changes in market variables such as interest rates, exchange rates, credit spreads and other asset prices.

NET ASSETS PER SHARE

Shareholders' funds divided by the weighted average number of ordinary shares in issue. A basis of share valuation.

NET WORTH

Total equity less minority interest if any.

OPERATING PROFIT

Profit before tax, share of profit of associates and net finance cost.

PRICE EARNINGS RATIO

Market price of a share divided by earnings per share as reported at that date.

PRUDENCE

Inclusion of a degree of caution in the exercise of judgment needed in making the estimates required under conditions of uncertainty, such that assets or income are not overstated and liabilities or expenses are not understated.

RELATED PARTIES

Parties who could control or significantly influence the financial and operating policies of the business.

RETURN ON EQUITY

Profit before tax divided by total equity less minority interest if any.

RETURN ON TOTAL ASSETS

Profit before tax plus finance cost divided by total average assets.

REVENUE RESERVES

Reserves considered as being available for distribution and investments.

SEGMENTS

Constituent business units grouped in terms of similarity of operations.

STATED CAPITAL

The total amount received by the Company or due and payable to the Company in respect of issue and calls of shares are referred to as stated capital.

VALUE ADDITION

The quantum of wealth generated by the activities of the Group measured as the difference between turnover and the cost of material and services bought in.

WORKING CAPITAL

Capital required to finance day-to-day operations computed as the excess of current assets over current liabilities.

GLOBAL REPORTING INITIATIVE (GRI)

Statement of use : ACL Cables PLC Reporting period 1st April 2025 to 31st March 2026

GRI Used : Foundation used 2021

Applicable GRI Sector Standard(s) : There is no applicable sector for the cable and wire manufacturing sector

GRI Standard	Disclosure	Description	Location / Page Reference	Omission (if any)		
				Requirement(s) omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-1	Organizational details	Corporate Information, Inner Back Cover			
	2-2	Entities included in the organization's sustainability reporting	About this Report, page 6			
	2-3	Reporting period, frequency and contact point	About this Report, page 6			
	2-4	Restatements of information	About this Report, page 6			
	2-5	External assurance	Independent Auditor's Report page, 116-119			
	2-6	Activities, value chain and other business relationships	Segment Review page 17-19			
	2-7	Employees	Human Capital Report, page 22			
	2-8	Workers who are not employees	Human Capital Report, page 22			
	2-9	Governance structure and composition	Corporate Governance Report, page 73-74			
	2-10	Nomination and selection of the highest governance body	Nomination and Governance Committee Report, page 114			
	2-11	Chair of the highest governance body	Corporate Governance Report, page 72			
	2-12	Role of the highest governance body in overseeing management of impacts	Corporate Governance Report, page 72			
	2-13	Delegation of responsibility for managing impacts	Corporate Governance Report, page 79-80			
	2-14	Role of the highest governance body in sustainability reporting	Corporate Governance Report, page 83			
	2-15	Conflicts of interest	Corporate Governance Report, page 75			82

GRI Standard	Disclosure	Description	Location / Page Reference	Omission (if any)		
				Requirement(s) omitted	Reason	Explanation
	2-16	Communication of critical concerns	Corporate Governance Report, page 79			
	2-17	Collective knowledge of the highest governance body	Corporate Governance Report, page 74-75			
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance Report, page 83			
	2-19	Remuneration policies	Remuneration Committee Report, page 111			
	2-20	Process to determine remuneration	Remuneration Committee Report, page 111			
	2-21	Annual total compensation ratio		2-21	Confidential Data	
	2-22	Statement on sustainable development strategy	Corporate Governance Report, page 83			
	2-23	Policy commitments	Corporate Governance Report, page 81			
	2-24	Embedding policy commitments	Corporate Governance Report, page 81			
	2-25	Processes to remediate negative impacts	Corporate Governance Report, page 78			
	2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance Report, page 75			
	2-27	Compliance with laws and regulations	Corporate Governance Report, page 81			
	2-28	Membership associations	Inner Back Cover			
	2-29	Approach to stakeholder engagement	Stakeholder Engagement, page 34			
	2-30	Collective bargaining agreements		2-30	Not Available	
GRI 3: Material Topics 2021	3-1	Process to determine material topics	Determining Materiality, page 35			
	3-2	List of material topics	Determining Materiality, page 35			
	3-3	Management of material topics	Risk Management, page 65-69			

GLOBAL REPORTING INITIATIVE (GRI)

GRI Standard	Disclosure	Description	Location / Page Reference	Omission (if any)		
				Requirement(s) omitted	Reason	Explanation
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	Value Added Statement, page 189			
	201-2	Financial implications and risks due to climate change	Risk Management Report, page 69			
	201-3	Defined benefit plan obligations and other retirement plans	Notes to the Financial Statements, page 171-173			
	201-4	Financial assistance received from government		201-4	No such assistance received during the year under review	
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Social and Relationship Capital Report, page 27			
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Corporate Governance Report, page 78			
	205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance Report, page 77			
	205-3	Confirmed incidents of corruption and actions taken		205-3	No such events were recorded	
GRI 206: Anti-competitive Behavior 2016	206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices		206-1	No such events were recorded	
GRI 207: Tax 2019	207-1 to 207-4	Approach to tax, tax governance, country-by-country reporting	Notes to the Financial Statements, page 132-133			
GRI 301: Materials 2016	301-1	Materials used		301-1	Confidential Data	
	301-2	Recycled input materials used	Natural Capital Report, page 32			
	301-3	Reclaimed products and packaging materials	Natural Capital Report, page 32			
GRI 302: Energy 2016	302-1	Energy consumption within the organization	Natural Capital Report, page 32			
	302-2	Energy consumption outside of the organization	Natural Capital Report, page 32			
	302-3	Energy intensity	Natural Capital Report, page 33			
	302-4	Reduction of energy consumption	Natural Capital Report, page 33			
	302-5	Reductions in energy requirements of products and services	Natural Capital Report, page 33			

GRI Standard	Disclosure	Description	Location / Page Reference	Omission (if any)		
				Requirement(s) omitted	Reason	Explanation
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	Natural Capital Report, page 32			
	303-2	Management of water discharge-related impacts	Natural Capital Report, page 32			
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Natural Capital Report, page 33			
	305-2	Energy indirect (Scope 2) GHG emissions	Natural Capital Report, page 33			
	305-3	Other indirect (Scope 3) GHG emissions	Natural Capital Report, page 33			
	305-4	GHG emissions intensity	Natural Capital Report, page 33			
	305-5	Reduction of GHG emissions	Natural Capital Report, page 33			
	305-6	Emissions of ozone-depleting substances	Natural Capital Report, page 33			
	305-7	NOx, SOx, and other significant air emissions	Natural Capital Report, page 33			
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	Natural Capital Report, page 33			
	306-2	Management of significant waste-related impacts	Natural Capital Report, page 33			
	306-3	Waste generated	Natural Capital Report, page 33			
	306-4	Waste diverted from disposal	Natural Capital Report, page 33			
	306-5	Waste directed to disposal	Natural Capital Report, page 33			
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers screened using environmental criteria	Social and Relationship Capital Report, page 27-28			
	308-2	Negative environmental impacts in the supply chain and actions taken	Social and Relationship Capital Report, page 27-28			
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Human Capital Report, page 22			
	401-2	Benefits provided to full-time employees not provided to temporary/part-time employees	Human Capital Report, page 23			
	401-3	Parental leave	Human Capital Report, page 23			
GRI 402: Labor/ Management Relations 2016	402-1	Minimum notice periods regarding operational changes		402-1	Confidential Data	

GLOBAL REPORTING INITIATIVE (GRI)

GRI Standard	Disclosure	Description	Location / Page Reference	Omission (if any)		
				Requirement(s) omitted	Reason	Explanation
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	CSR Report page 56			
	403-2	Hazard identification, risk assessment, and incident investigation		403-2	No such incidences were recorded	
	403-3	Occupational health services	CSR Report page 56			
	403-4	Worker participation, consultation, and communication on OH&S	CSR Report page 56			
	403-5	Worker training on occupational health and safety	CSR Report page 56			
	403-6	Promotion of worker health	CSR Report page 56			
	403-7	Prevention and mitigation of OH&S impacts directly linked by business relationships	CSR Report page 56			
	403-8	Workers covered by an occupational health and safety management system	CSR Report page 56			
	403-9	Work-related injuries		403-9	No such incidences were recorded during the year	
	403-10	Work-related ill health		403-10	No such incidences were recorded during the year	
GRI 404: Training and Education 2016	404-1	Average hours of training per employee per year	Human Capital Report, page 23			
	404-2	Programs for upgrading employee skills and transition assistance	Human Capital Report, page 23			
	404-3	Percentage of employees receiving regular performance and career development reviews	Human Capital Report, page 23			
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Human Capital Report, page 22			
	405-2	Ratio of basic salary and remuneration of women to men	Human Capital Report, page 22			
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	Human Capital Report, page 22			

GRI Standard	Disclosure	Description	Location / Page Reference	Omission (if any)		
				Requirement(s) omitted	Reason	Explanation
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers where freedom of association may be at risk		407-1	Unable to collect data	
GRI 408: Child Labor 2016	408-1	Operations and suppliers at significant risk for incidents of child labor		408-1	Not Applicable to Entity's Operations	
GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		409-1	Not Applicable to Entity's Operations	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programs	Social and Relationship Capital Report, page 28			
	413-2	Operations with significant actual/potential negative impacts on local communities	Social and Relationship Capital Report, page 28			
GRI 414: Supplier Social Assessment 2016	414-1	New suppliers screened using social criteria	Social and Relationship Capital Report, page 28			
	414-2	Negative social impacts in the supply chain and actions taken	Social and Relationship Capital Report, page 28			
GRI 416: Customer Health and Safety 2016	416-1	Assessment of health and safety impacts of product categories	Product Portfolio Report, page 46			
	416-2	Incidents of non-compliance concerning health and safety impacts of products	Product Portfolio Report, page 46			
GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	Product Portfolio Report, page 46			
	417-2	Incidents of non-compliance concerning product and service information and labeling		417-2	Not Applicable	
	417-3	Incidents of non-compliance concerning marketing communications		417-3	Not Applicable	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	IT Governance / Data Protection, page 82			

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that the Sixty - Fourth Annual General Meeting of A C L Cables PLC will be held at the Auditorium of A C L Cables PLC, No. 60, Rodney Street, Colombo 08 on 30th September 2026 at 11.45 a.m. for the following purposes.

01. To receive and adopt the Report of the Directors and the Statement of Accounts for the year ended 31st March 2026 with the report of the Auditors thereon.

02.

(a) To re-elect as a Director Mrs N C Madanayake who retires by rotation being eligible for re-election in terms of Article No. 85 of Articles of Association.

(b) To re-elect as a Director Dr Sivakumar Selliah who retires by rotation being eligible for re-election in terms of Article No. 85 of the Articles of Association.

(c) To re-elect as a Director Mr Nissanka Bandara Weerasekera who retires by rotation being eligible for re-election in terms of Article No. 85 of the Articles of Association.

(d) To re-elect Mr Esala Ruwan Weerakoon, who was appointed as a Director who retires in terms of Article 91, of the Articles of Association of the Company.

03. To consider and if thought fit to pass the following Ordinary Resolutions, of which special notice has been given by a Shareholder of the Company.

(a) That Mr. U. G. Madanayake, who has passed the age of 70 years in May 2006, be and is hereby appointed a Director of the Company and that the age limit of 70 years referred to in Section 210 of Companies Act No. 07 of 2007 shall not apply to him.

(b) That Mrs. N. C. Madanayake, who has passed the age of 70 years in August 2013, be and is hereby appointed a Director of the Company and that the age limit of 70 years referred to in Section 210 of Companies Act No. 07 of 2007 shall not apply to her.

(c) That Mr. Daya Wahalantantiri, who has passed the age of 70 years in January 2019, be and is hereby appointed a Director of the Company and that the age limit of 70 years referred to in Section 210 of Companies Act No. 07 of 2007 shall not apply to him.

04. To re-appoint Messrs. Deloitte Partners, Chartered Accountants as Auditors of the Company and authorize the Directors to determine their remuneration.

05. To authorize the Directors to determine donations to charities.

By Order of the Board

(Sgd.)

Corporate Affairs (Private) Limited

Secretaries

31st August 2026

NOTE:

- (a) A Shareholder is entitled to appoint a Proxy to attend and vote in his stead and a FORM OF PROXY is attached to this Report for this purpose. A Proxy need not be a Shareholder of the Company. The instrument appointing a Proxy must be deposited at the Registered Office, No. 60, Rodney Street, Colombo 08, not less than forty eight (48) hours before the time appointed for the Meeting.
- (b) Shareholders are kindly requested to hand-over duly perfected and signed Attendance Slip to the Registration counter.

FORM OF PROXY - ACL CABLES PLC

I/We.....<Name>.....
.....
of
being a Shareholder/ Shareholders of the above Company hereby appoint (Name and NIC of Proxy Holder).....
.....
or failing him/ her
.....of.....
as my/ our Proxy to represent me/us, to speak and vote whether on a show of hands or on a poll for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 30th September 2026 at 11.45 a.m. and at any adjournment thereof.

Signed this day of2026

.....

Signature

INSTRUCTIONS FOR COMPLETION OF PROXY

The instrument appointing a Proxy shall in the case of an individual be signed by the appointor or by his Attorney and in the case of a corporation as per its Articles of Association – Companies Act or signed by its Attorney or by an Officer on behalf of the Corporation.

IMPORTANT NOTICE TO SHAREHOLDERS

Consequent to the change of Articles of Association in accordance with the digitalization initiative, please provide the following information to investor.relations@acl.lk, for future Notices of Meetings to be sent to the e-mail address provided by you.

Full name

Residential Address

Email Address

NIC/Company Registration No.:

CORPORATE INFORMATION

COMPANY NAME

ACL Cables PLC

REGISTRATION NUMBER

PQ 102

REGISTERED OFFICE

60, Rodney Street, Colombo 08

CONTACT DETAILS

Tel : +94 11 7608300

Fax : +94 11 2699503

E-mail : info@acl.lk

: investor.relations@acl.lk

Website : www.acl.lk

BOARD OF DIRECTORS

U. G. Madanayake - Chairman

Suren Madanayake - Managing Director

Mrs. N. C. Madanayake

Professor Malik Ranasinghe

Kusal Jayawardana

D. D. Wahalatatiri

P. S. R. Casie Chitty

Dr. Sivakumar Selliah

Nissanka B. Weerasekera

Esala Weerakoon

GROUP CHIEF FINANCIAL OFFICER

Mahesh Amarasiri

MBA, FCMA, CGMA, B.Sc (ENG) MIESL

SUBSCRIPTIONS OF PROFESSIONAL BODIES

The Ceylon Chamber of Commerce

The Plastics & Rubber Institute of Sri Lanka

National Chamber of Exporters of Sri Lanka

London Metals Exchange

The Ceylon National Chamber of Industries

SECRETARIES

Messrs. Corporate Affairs (Private) Limited

24/2, Sri Siddhartha Road,

Colombo 05.

AUDITORS

Messrs. Deloitte Partners

Chartered Accountants

100, Braybrooke Place, Colombo 02

BANKERS

Standard Chartered Bank

Hatton National Bank PLC

Nations Trust Bank PLC

National Development Bank PLC

Sampath Bank PLC

Commercial Bank of Ceylon PLC

People's Bank

Seylan Bank PLC

State Bank of India

DFCC Bank PLC

Bank of China

FEEDBACK AND QUERIES

The Company welcomes feedback and queries regarding this report and encourages readers to direct their responses to; investor.relations@acl.lk or write to:

Messrs Corporate Affairs (Private) Limited

24/2, Sri Siddhartha Road,

Colombo 05.

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Printed by Softwave Printing and Publishing (Pvt) Ltd

